



Alpine Shire

ORDINARY COUNCIL MEETING

MINUTES

M10 – 6 September 2016

Bright Council Chambers

7:00pm



The next **Ordinary Meeting** of the **Alpine Shire Council** was held in the Council Chambers, Great Alpine Road, Bright on **6 September 2016** commenced at **7:00pm**.

PRESENT

COUNCILLORS

Cr Ron Janas – Mayor
Cr Tony Keeble – Deputy Mayor
Cr John Forsyth
Cr Kate Farrell
Cr Daryl Pearce
Cr Peter Roper
Cr Jan Vonarx

OFFICERS

Mr Dave Barry – Chief Executive Officer
Mr Trevor Britten – Director Corporate Performance
Ms Heather Green – Director Sustainable Development
Mr Charlie Bird – Director Assets

APOLOGIES

Nil



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1 RECORDING AND LIVESTREAMING OF COUNCIL MEETINGS

The CEO read the following statement:

All Council meetings are filmed, with both video and audio being recorded.

Video recording is focused on Councillors and staff, while audio from the entire room is captured.

By speaking during question time, or at any time, you consent to your voice and any comments you make being recorded.

In common with all narrative during Council meetings, verbal responses to congratulations, obituaries and question time will not be recorded in the written minutes of Council meetings. This is to improve access and transparency of Council decision making to our community.

The full meeting and entire recording will be live-streamed to Alpine Shire Council's YouTube Channel and made available after the meeting.

2 ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS, RECOGNITION OF ALL PEOPLE

The CEO read the following statement:

The Alpine Shire Council acknowledges the traditional owners of the land we are now on.

We also acknowledge those people who have contributed to the rich fabric of our community and strive to make wise decisions that will improve the quality of life for all.

3 CONFIRMATION OF MINUTES

3.1 ORDINARY COUNCIL MEETING – M9

Cr Farrell

Cr Keeble

That the minutes of Ordinary Council Meeting M9 held on 2 August 2016 as circulated be confirmed.

Carried

4 APOLOGIES

Nil

5 OBITUARIES / CONGRATULATIONS

Refer to alpine shire council's website www.alpineshire.vic.gov.au; for its YouTube live-stream recording.



6 DECLARATIONS BY COUNCILLORS OF CONFLICT OF INTEREST

The CEO advised that Council is part owner of a company that is being awarded a contract in Item 8.2.4 Contract award for the provision of labour hire and accompanying technology solutions and that the CEO is an unpaid director of that company.

7 QUESTION TIME

Refer to alpine shire council's website www.alpineshire.vic.gov.au; for its YouTube live-stream recording.

7.20pm

Cr Roper advised that he had a conflict of interest in relation to paying rate notices and excused himself from the Council meeting.

7.25pm

Cr Roper returned to the Council meeting.

**8 PRESENTATION OF REPORTS BY OFFICERS****8.1 CHIEF EXECUTIVE OFFICER – DAVE BARRY****8.1.1 Contracts approved by the CEO***Cr Farrell**Cr Pearce**That the Contracts approved by the CEO be noted.*

Contract No:	CQ 16/030	Process:	Public tender
Title:	Pioneer park Oval Drainage improvements		
Tenderer:	Gary Lee Sprinklers		
\$ (excl. GST):	\$111,131		
Funding:	Works funded by 2016/17 project budget.		

Carried



8.1.2 Removal Of Plaque From Memorial Bench

File Number: 220.15

INTRODUCTION

The purpose of this report is to revoke a decision made by the Chief Executive Officer, Mayor and Deputy Mayor under delegation from Council to approve the installation of a fully funded memorial bench with plaque installed on the Kiewa Valley Highway in July 2014.

Cr Vonarx moved an alternative motion.

Cr Vonarx

Cr Keeble

That Council:

- 1. That the park bench and memorial plaque on the Kiewa Valley Highway remain and no further action be taken.*

Carried

BACKGROUND

At the July 2014 question time a person asked Council to expedite her application for the installation of a bench and memorial plaque on the Kiewa Valley Highway close to the business and home owned of a deceased member of the community. The person spoke of the urgency of the situation and linked it to a 21st birthday event.

The application was advertised on-site, no objections were received and letters of support were received from various parties. Due to the representations made relating to urgency, the application was not advertised in local media. It was the clear view of the Chief Executive officer, Mayor and Deputy Mayor at the time that the urgency of the situation was real and any delay would have allowed bureaucracy to prevail over common sense.

ISSUES

It has since become clear that the installation of the memorial plaque has given rise to significant upset and pain, as indeed will its removal, should Council determine to remove it.

It is the view of staff that personal memorials should only be installed where they do not give rise to significant upset and pain amongst family members.

Despite significant attempts to resolve this issue, including changes to the wording on the plaque, it is clear that this will not be achievable.

Had staff been aware of the circumstances they are now aware of, it is beyond doubt that they would not have recommended an approval to install the plaque.

Had the application been advertised the local newspaper these circumstances may well have been identified earlier, acknowledging that the on-site advertising did not yield any objections or cause the circumstances to come to light.



In addition, it would have greatly benefited the decision making process had the person making representations and the application identified the circumstances and the associated consultation that should have been pursued as a result.

In making this recommendation staff are of the view that:

- The initial decision was made in the absence of critical information and gives rise to unacceptable pain
- Any further decision will also give rise to unacceptable pain
- Council should not make any decision based on the personal circumstances i.e. Council cannot and should not judge this complex situation.
- Council should make a decision based on the fact that critical information was not ascertained at the time of making the initial application
- The plaque was, in hindsight, always likely to result in an ill-fated outcome that would ultimately cause significant pain to all involved.

POLICY IMPLICATIONS

It is anticipated that this situation will cause Council to amend its Road, Memorial and Naming Policy (No 57) to prohibit the installation of any future personal memorials.

FINANCIAL AND RESOURCE IMPLICATIONS

Council will remove the plaque at a cost of approximately \$20.

CONSULTATION

Extensive consultation with the parties has been unable to resolve the matter.

CONCLUSION

For the reasons outlined that the memorial plaque be removed from the bench.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Executive Assistant to CEO
- Chief Executive Officer

ATTACHMENT(S)

- Nil



8.1.3 Local Law No.1: Council Administration (2016)

File Number: 1120.01

INTRODUCTION

This report provides for the making of Local Law No.1 Council Administration (2016).

Cr Forsyth

Cr Vonarx

That Council:

1. *Make Local Law No.1 Council Administration (2016) (as attached), to come into operation on 6 September 2016.*
 - a. *Subject to a change on page 8 change - 'understood' to misunderstood''*
2. *Sign and seal Local Law No.1 Council Administration (2016) at the appropriate stage of this meeting.*
3. *Publish public notices of the making of Local Law No.1 Council Administration (2016) in the Victorian Government Gazette, the Alpine Observer / Myrtleford Times newspapers, and on Council's website.*
4. *Advise the Minister for Local Government that Local Law No.1 Council Administration (2016) has been adopted.*

Carried

BACKGROUND

Council is required by section 91(1) of the *Local Government Act 1989* (the Act) to make laws governing the conduct of meetings of the Council and special committees. Except as is provided in the Act, the conduct of meetings of a council or its special committees is in the council's discretion.

Part 4, Division 2 of the Act provides for procedures that Councils must abide by, and includes specifications around the types of meetings, keeping of minutes, closure of meetings to the public, and voting. Many other sections of the Act specify processes to be undertaken such as election of Mayor.

A local law is a subordinate instrument, and must not be inconsistent with any Act or Regulation.

ISSUES

In order to comply with section 91(1) of the Act, Council needs to ensure that it has a valid local law in operation, governing its meeting procedures and the use of its common seal (section 5(3)(c) of the Act).

On 5 July 2016 Council resolved to:

1. *Endorse the proposed Local Law No.1 Council Administration (2016) (as attached) for the purpose of seeking public submissions in accordance with section 119 of the Local Government Act 1989.*



2. *Endorse the Community Impact Statement (as attached) to accompany the proposed Local Law No.1 Council Administration (2016), for the purposes of community consultation.*
3. *Publish public notices of its intention to make Local Law No.1 Council Administration (2016) in the Victoria Government Gazette, the Alpine Observer / Myrtleford Times newspapers, and on Council's website, inviting public comment.*
4. *Present a report to the September 2016 ordinary council meeting to adopt the local law.*

The proposed Local Law was essentially unchanged from the previous version, with only minor amendments to: include provision for Council to make audio-visual recordings of Council meetings; amend the voting section to align with requirements of the Act; and to modify offence penalties from set dollar values to penalty units.

POLICY IMPLICATIONS

The making of the local law is in accordance with the *Local Government Act 1989*. It is also in alignment with the Alpine Shire Council Plan 2013-2017 in the following way:

Performance Focused Organisation - *Strategic Objective 5.4: Ensure a high standard of governance; Strategy 5.4.1 Provide good governance.*

FINANCIAL AND RESOURCE IMPLICATIONS

There have been no budgeted costs against this local law. The law itself sets out offences and fines payable.

CONSULTATION

Section 119 of the Act sets out the procedure required when making a local law. This includes giving public notice in the locally circulating newspaper and in the Government Gazette.

Public submissions

As part of making the Local Law, section 119(2)(c) of the Act required a section 223 public consultation process, giving the public 28 days to provide comment on the proposed local law. A public notice appeared in the Alpine Observer / Myrtleford Times on 13 July 2016 and in the Victorian Government Gazette on 14 July 2016. The notice also appeared on Council's website under 'on exhibition'. Submissions closed on 12 August 2016.

As part of good practice for the making of local laws, a community impact statement was developed to explain the changes to, and effect of, the local law. This statement accompanied copies of the Local Law while available for public consultation.

No public submissions were received.

**Gazettal**

Following the period of public consultation, and making of the local law, section 119(3) of the Act requires that a further public notice must appear in the Victorian Government Gazette and locally circulating newspapers to advise of the formal adoption (making) of the local law, and its application.

A copy must also be sent to the Minister for Local Government in accordance with section 119(4) of the Act.

Commencement Date

Section 121(1) of the Act determines that a Local Law comes into operation at the beginning of the day on which the local law is made.

CONCLUSION

It is also a requirement that council has current local laws in place that provide guidance for the use of the council's common seal, and for council and special committee meetings. In making this local law, Council is complying with the processes required.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Chief Executive Officer
- Governance Officer

ATTACHMENT(S)

- 8.1.3 a) Local Law No.1 Council Administration (2016)



8.2 DIRECTOR CORPORATE PERFORMANCE – TREVOR BRITTEN

8.2.1 Annual Financial Report and Performance Statement - adoption in principle

INTRODUCTION

The purpose of this report is to present the draft Annual Financial Report and Performance Statement for the year ended 30 June 2016 for review and endorsement.

Cr Farrell

Cr Vonarx

That:

- 1. The Annual Financial Report and Performance Statement for the year ended 30 June 2016 as presented be adopted in principle by Council.*
- 2. Cr Keeble and Cr Roper be authorised to certify the Annual Financial Report and Performance Statement for the year ended 30 June 2016 on behalf of Council, once any amendments or changes as requested by the Victorian Auditor General.*

Carried

BACKGROUND

Annual Financial Report

Each year Council is required to prepare an Annual Financial Report containing financial statements that are audited according to Australian Accounting Standards.

The financial statements show Council's financial performance, financial position, and cash flows against the previous year, and comprise of a:

- Comprehensive Income Statement,
- Balance Sheet,
- Statement of Changes in Equity,
- Statement of Cash Flows, and
- Statement of Capital Works.

In summary, Council ended the 2015/16 year with a deficit of \$198K. The unfavourable result is attributed to only receiving half of its allocation of the Financial Assistance Grants due to the Victorian Grants Commission paying \$1.7 million in advance in June 2015, last financial year. If the Financial Assistance Grants full amount had been received in the current year Council would have derived a surplus of \$1.5 million.

Employee costs are slightly unfavourable to budget. This is due to Council incurring redundancy costs of \$562K for all Home and Community Care (HACC) staff. Council's HACC services were recommissioned to another provider by the Department of



Health and this change came into effect from 30 June 2016. Without this unexpected expense Council's employee costs would have been \$458K favourable to budget.

The landfill rehabilitation expense is mainly attributed to an unbudgeted increase in remediation costs for the Myrtleford Landfill. The Myrtleford landfill (not the transfer station) is going to be closed and waste will be diverted to alternate, more efficient landfills. This decision was made by Council due to the low volume and high costs associated with maintaining the landfill. Work conducted has provided more accurate costings associated with the remediation.

Council had a capital works budget of \$8.7 million of which \$7.4 million was spent. Within the projects residing in the Asset Development area there was \$1.6 million identified as operating expenditure and this has been expensed to materials and services rather than capitalised. The Capital Works Statement thus shows \$5.8 million in capitalised assets.

Projects expensed included:

- Flood recovery \$245K – attributed to the mudslide at Eurobin.
- Mount Beauty Progressing Place – Lakeside \$170K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy.
- Mount Beauty Progressing Place – CBD \$224K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy.
- Porepunkah landfill works \$166K – remediation of landfills are not considered an asset.
- Rural roads drainage \$151K – earth works for drainage are not capitalised under Council's Capitalisation policy.

Delivery of the capital works program included increased road renewal spend due to additional Roads to Recovery funding, completion of Mount Beauty Progressing Place Lakeside and CBD, completion of Lakeview Children's Centre stages one and two and installation of additional holiday cabins at the Myrtleford Holiday Park.

Performance Statement

Performance Statements are required to be prepared according to the Local Government Act and the Local Government (Planning and Reporting) Regulations.

The performance statement comprises:

- Sustainable Capacity Indicators,
- Service Performance Indicators, and
- Financial Performance Indicators.

2016 is the second year that uniform performance reporting across all Victorian Councils has been implemented.



Service Performance Indicators

Council now has one year's worth of data to compare performance results to, with some movement in Council's results being evident. In some cases this is due to a concerted effort to improve Council's performance – for example, visitation to Council's pools has improved on the previous year, attributable to early bird season passes, extended operating / opening hours, and growing the Learn to Swim programs. In other cases, it is due to a change in ability to report or capture data more accurately, a decision to implement demand reduction, or to focus on increased participation in a service.

Financial Performance and Sustainable Capacity Indicators

Some movement in financial indicators has occurred, primarily due to Council paying out its loans in July 2015, and receiving Financial Assistance Grant payments for 2015/16 in the prior year.

Nevertheless, the indicators show that Council is financially sustainable and that services are being delivered within expected parameters.

ISSUES

The Annual Financial Report and Performance Statement were still being audited at the time of writing this report. Whilst the Victorian Auditor General can still make changes, any changes would be expected to be minor in nature. The Financial Statements must be adopted by Council prior to 30 September each year as required by section 133 of the *Local Government Act 1989*.

The authorised Councillors will be required to certify the report and statement after any amendments or changes requested by the Victorian Auditor General have been made.

POLICY IMPLICATIONS

Legislative Issues

Section 131 of the Local Government Act (Annual Report – contents) requires Council to prepare an annual report which contains:

- Audited financial statements;
- Audited performance statements; and
- Audited financial statements against the budget (section 127) known as Standard Statements.

Section 132 of the Local Government Act (Annual Report - Preparation) requires Council to submit an annual financial report which is audited.

Division 2 of the Local Government (Planning and Reporting) Regulations prescribe the performance statement contents and form.

Part 3 of the Audit Act 1994 requires Council's auditors to prepare a report on the financial statements.

**Risk Management**

Identified Risk	Risk Likelihood (H,M,L)	Impact of Risk (H,M,L)	Strategy to Manage Risk
Change in accounting standards	L	L	Continuous liaison with auditors. Receive updates from industry bodies including FinPro and Institute of Chartered Accountants. Regular staff training.
Change in legislation	L	L	Continuous liaison with auditors. Receive updates from industry bodies including FinPro and Institute of Chartered Accountants. Regular staff training.
Error in financial statements	L	L	Financial statements are audited. Any errors will be amended. Council has year-end controls and reconciliations in place to minimise the risk of errors occurring. Auditors Closing Report identifies issues raised by the auditors. Auditors have a teleconference with the Audit Committee without management's presence to gain comfort over the year end controls.

The Annual Financial Report and Performance Statement outcomes are consistent with the Council Plan and Budget as follows:

2013-2017 Council Plan	
Strategic Objective 5.2	To manage resources well to ensure sustainability
2015/16 Budget	
Strategic Objective 2.5	Performance focused organisation

CONCLUSION

Council has ended the financial year with a deficit; however this was derived due to \$1.7 million of the Financial Assistance Grants being received in the prior year. If Financial Assistance Grants were received in the year to which they relate Council would have derived a profit of \$1.5 million.

**DECLARATION OF CONFLICT OF INTEREST**

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate Performance
- Manager Corporate Services

ATTACHMENT(S)

- 8.2.1 a) 2015/16 Annual Financial Report (Draft)
- 8.2.1 b) 2015/16 Performance Statement (Draft)



8.2.2 Finance Report - Quarterly Review

File Number:

INTRODUCTION

The purpose of this report is to provide a summary of how Council has performed during quarter 4 against budget and forecast. This report has been prepared based on the figures available at the time of audit, however is structured in a management reporting layout (consistent with previous quarterly reports) and not in accordance with accounting standards.

Cr Roper

Cr Pearce

That Council:

- 1. Adopt the Finance Report - Quarterly Review for the quarter ending 30 June 2016.*

Carried

BACKGROUND

Preparation of the finance report

The purpose of this report is to provide Council with a summary of the financial performance for the quarter against budget and forecast. This report provides an overview for the quarter including:

- Income statement
- Balance sheet.
- Cash balance;
- Current investments; and
- Loans balances.

This report also includes a summary of each department's quarterly performance with explanations for variances which are approximately greater than \$10,000 or 10%.

This report has been prepared for internal management reporting purposes and is required under section 138 of the *Local Government Act 1989*. This report has not been audited; however the year end results are consistent with the annual financial statements at the time of preparation of this report.

The Quarterly Finance Report (QFR) is prepared based on a rigorous process which includes:

- Each department reviewing their budget and providing explanations for variances at the master account level.
- Departments submitting their quarterly budget explanations to the Finance department for review and further analysis.



- Departmental managers presenting to the Executive on their departmental performance for the quarter.
- Presentation of the QRF to the Finance Committee and subsequently Council.
- Forecasting is undertaken by department managers each quarter at master account level. There has been significant progress made in the maturity of forecasting which is evidenced by the minimal year to date variances against forecast.
- This report is also provided to the Audit Committee for noting.

ISSUES

In summary, Council ended the 2015/16 year with a deficit of \$198K. The unfavourable result is attributed to only receiving half of its allocation of the Financial Assistance Grants due to the Victorian Grants Commission paying \$1.7 million in advance in June 2015, last financial year. If the Financial Assistance Grants full amount had been received in the current year Council would have derived a surplus of \$1.4 million.

Employee costs are slightly unfavourable to budget. This is due to Council incurring redundancy costs of \$562K for all Home and Community Care (HACC) staff. Council's HACC services were recommissioned to another provider by the Department of Health and this change was effective from 30 June 2016. Without this unexpected expense Council's employee costs would have been \$458K favourable to budget.

The landfill rehabilitation expense is mainly attributed to an unbudgeted increase in remediation costs for the Myrtleford Landfill. The Myrtleford landfill (not the transfer station) is going to be closed and waste will be diverted to alternate, more efficient landfills. This decision was made by Council due to the low volume and high costs associated with maintaining the landfill. Work conducted has provided more accurate costings associated with the remediation.

Council had a capital works budget of \$8.7 million of which \$7.4 million was spent. Within the projects residing in the Asset Development area there was \$1.6 million identified as operating expenditure and this has been expensed to materials and services rather than capitalised. The Capital Works Statement thus shows \$5.8 million in capitalised assets.

Projects expensed included:

- Flood recovery \$245K – attributed to the mudslide at Eurobin.
- Mount Beauty Progressing Place – Lakeside \$170K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy.
- Mount Beauty Progressing Place – CBD \$224K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy.
- Porepunkah landfill works \$166K – remediation of landfills are not considered an asset.



- Rural roads drainage \$151K – earth works for drainage are not capitalised under Councils capitalisation policy.

Delivery of the capital works program included increased road renewal spend due to additional Roads to Recovery funding, completion of Mount Beauty Progressing Place Lakeside and CDB, completion of Lakeview Children's Centre stages one and two and installation of additional holiday cabins at the Myrtleford Holiday Park.

POLICY IMPLICATIONS

The *Local Government Act 1989* (the Act) requires the following relating to financial management:

- Section 137 (Budgeting and reporting framework) - "Council must establish and maintain a budgeting and reporting framework that is consistent with the principles of sound financial management.
- Section 138 (Quarterly statements) – "At least every 3 months, the Chief Executive Officer must ensure that a statement comparing the budgeted revenue and expenditure for the financial year with the actual revenue and expenditure to date is presented to the Council at a Council meeting which is open to the public".

CONSULTATION

The quarterly finance report is available on Councils website once it has been adopted by Council.

CONCLUSION

Council has ended the financial year with a deficit; however this was derived due to \$1.7 million of the Financial Assistance Grants being received in the prior year. If Financial Assistance Grants were received in the year to which they relate Council would have derived a profit of \$1.3 million.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate Performance
- Manager Corporate

ATTACHMENT(S)

- 8.2.2 Finance Report - Quarterly Review for the quarter ending 30 June 2016



8.2.3 Audit Committee Meeting Minutes - July 2016

File Number: 0900.06

INTRODUCTION

The purpose of this report is to present the minutes of the 26 July 2016 Audit Committee (the Committee) meeting to Council.

A key item on the agenda was the welcoming of two new independent committee members and the nomination and recommendation to Council of the Chair of the Committee.

The Committee considered the 2015/16 Quarters 3 and 4 Health and Safety Report (Confidential) for endorsement and recommendation to Council for adoption.

Other key items presented for the information of the Committee were:

- Dinner Plain audit report;
- Asset valuation report;
- JMAPP property risk management audit; and
- Annual financial and performance audit and report program.

Cr Farrell

Cr Keeble

That the minutes of the 26 July 2016 Audit Committee meeting be received and noted and the following Audit Committee recommendations be adopted:

That:

- 1. Sue Lebish be appointed to the role of Chair of the Audit Committee for 2016/2017;*
- 2. The confidential 2015/2016 Quarters 3 and 4 Health and Safety Report be adopted.*

Carried

BACKGROUND

Welcome of new members

The Audit Committee extended a welcome to two new independent members Jane Shepherd and Sinead Ryan.

Nomination and recommendation of Chair

The Alpine Shire Council Audit Committee Charter 2015 sets out the requirements for the appointment of the Chair of the Audit Committee. Specifically, section 3 of the Charter stipulates that:

"The Alpine Shire Council will appoint the Audit Committee Chair.

The Audit Committee will nominate and recommend to Council a Chair each year.



The Chair of the Audit Committee must be an independent member."

The Audit Committee nominated and recommends to Council independent member Sue Lebish as Chair of the Committee for the 2016/2017 12 month period.

2015/16 Quarters 3 and 4 Health and Safety Report - Confidential

The Audit Committee reviewed the 2015/16 Quarters 3 and 4 Health and Safety Report (Confidential). Quarters 3 and 4 saw consistent improvement in health and safety event reporting and participation in the Health and Safety Committee. The employee training, education and awareness focus during quarters 3 and 4 was on mandatory licensing, certification and accreditation and workplace emergency management.

IMPLICATIONS

Council complies with the following sections of the Local Government Act 1989:

- Section 139 requires Council to have an audit committee and act within the guidelines made by the minister for Audit Committees.
- Section 136 requires Council to implement the principles of sound financial management.

This report is consistent with the following strategic documents:

Council Plan 2013-2017 (2016 Review)	
Theme 5: Performance Focused Organisation	
Strategic Objective 5.2	To manage resources well to ensure sustainability
Strategic Objective 5.3	To support people and business practices
Strategic Objective 5.4	To ensure a high standard of governance
2015/16 Budget	
Section 2.5	Performance focused organisation

CONCLUSION

The Audit Committee, being satisfied with the detail provided in the agenda and the officer Reports, recommends Council adopt the detailed resolutions.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the Local Government Act 1989, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate Performance
- Manager Corporate
- Health, Safety and Risk Officer

ATTACHMENT(S)

- 8.2.3 a) Audit Committee Meeting Minutes 26 July 2016
- 8.2.3 b) Confidential Health and Safety Report



8.2.4 Contract award for the provision of labour hire and accompanying technology solutions

File Number: CT1603201

INTRODUCTION

The purpose of this report is to award a three year contract for the provision of labour hire services, primarily for seasonal pool staff and cleaners.

Cr Roper

Cr Forsyth

Cr Roper moved to go in camera with Councillors only to discuss the report.

Cr Vonarx

Cr Keeble

Council move into confidential business under section 89(2)(e) contractual matter. Information is of commercial nature. 7.55pm

Cr Vonarx

Cr Keeble

Cr Vonarx moved to resume standing orders at 8.02pm

Cr Forsyth proposed alternative motion:

Cr Roper

Cr Forsyth

That:

- 1. Contract number 1603201 be awarded to MomentumOne Shared Services Pty Ltd, for the provision of labour hire and accompanying technology solutions for a three year term, according to a comprehensive schedule of rates, and*
- 2. Contract 1603201 be signed and sealed at the appropriate stage of this meeting.*

Motion lost.



Cr Vonarx proposed alternative motion

Cr Vonarx

Cr Roper

That:

- 1. Contract number 1603201 be awarded to MomentumOne Shared Services Pty Ltd, for the provision of labour hire and accompanying technology solutions for a three year term, according to a comprehensive schedule of rates*
- 2. Schedule 3 of MomentumOne's tender be included in the contract, providing Council access to additional competitive rates for other employee classifications associated with aquatic and recreational facilities and cleaning*
- 3. Contract 1603201 be signed and sealed at the appropriate stage of this meeting.*

Carried

BACKGROUND

MomentumOne

Local Government in Victoria is experiencing immense change. The pressures of rate capping, the Grants Commission indexation freeze, the cessation of several previously reliable grant programs, and the introduction of the Local Government Performance Reporting Framework, have not been experienced for twenty years. The implications are significant and demand a considered and strategic response.

At its October 2015 ordinary meeting, Council resolved to, 'participate in the formation and operation of a corporation with Towong Shire Council, according to s193(1)(a) of the *Local Government Act 1989*, for the purposes of sharing services'.

The purpose of the resolution was to create a joint venture in response to local government reform, that would be highly competitive as a result of its:

- scale - resulting in improved procurement outcomes, technology driven systems, service flexibility, innovation and reduced duplication, and
- focus - through competing for business to survive a more private enterprise type approach to employee and materials costs will prevail

MomentumOne Shared Services Pty Ltd was created as a result, with the ability to tender for any services that Council, and other municipalities, seek to market test.

Trial

Council successfully trialled MomentumOne during the 2015/16 pool season, by purchasing staff and automated systems and workflows. That test delivered estimated savings of \$45,000 and proved the potential of outsourcing certain functions. Supervision issues associated with the trial are acknowledged and will be rectified in future models.

**Invitation to tender**

On 23 July, Council invited tenders for the three year provision of labour hire and accompanying technology solutions, with a closing date of 5 September 2016.

The Invitation to Tender was advertised on-line and in the Herald Sun and the Alpine Observer (according to the Procurement Policy).

Response

Tender documents were viewed by 22 and downloaded by 9 contractors, only one returned an offer.

Tender evaluation

The sole tender was considered against the published evaluation criteria:

- Competitive hourly rate
- Level of conformance
- Experienced labour hire organisation
- Personnel to meet operational needs
- Ability to effectively recruit, induct and manage personnel, and
- Ability to offer technological solutions

by an evaluation panel consisted of an Independent member (a member of the Audit Committee), the Manager Facilities, and the Director Corporate Performance.

Councillors have been provided with a confidential tender recommendation and price comparison under separate cover.

Evaluation conclusion

MomentumOne satisfactorily meets all of the published evaluation criteria and is likely to result in significant savings, both costed and un-costed, to Council, and are therefore recommended as the preferred Tenderer.

ISSUES**Sole tender**

Two of the eight contractors that downloaded documents but didn't submit a tender were randomly selected and asked why not.

One replied that, 'after thorough research his company believed that they would be uncompetitive against MomentumOne's price and technology solutions'.

The other replied that, 'the municipality would be too difficult to service geographically'.

Probity

A probity plan has been developed and adhered to, addressing the following issues:

- MomentumOne is a joint venture between Alpine and Towong Shire Councils
- Alpine and Towong Shire Councils are 50/50 shareholders in MomentumOne



- the CEOs of both Councils are also the Directors of MomentumOne

Refer to the attached Probity Plan.

Competitive Neutrality

Competitive neutrality policy measures are designed to achieve a fair market environment. The State's competitive neutrality policy applies only to the significant business activities of publicly owned entities.

It is the responsibility of local governments to determine whether their business activities fall within the scope of competitive neutrality policy.

MomentumOne's tender has been considered against the Department of Treasury and Finance competitive neutrality policy and Council is satisfied that the requirements under the policy are met.

POLICY IMPLICATIONS

This recommendation is consistent with the following Council Plan strategies:

- 5.2.1 – deliver responsible and prudent financial management, and
- 5.2.2 – deliver best value programs and services



FINANCIAL AND RESOURCE IMPLICATIONS

MomentumOne's schedules of rates are very competitive and have the potential to save more than the \$136,000 (15%) identified the following comparative costs table:

	Existing	MomentumOne	Savings	
Year one				
Seasonal pool staff	\$168,654	\$138,681	\$29,973	
Cleaners	\$135,525	\$120,735	\$14,790	
Year one sub-total	\$304,179	\$259,416	\$44,763	
Year two sub-total	\$308,741	\$263,307	\$45,434	Year 2 and 3 sub-totals are based on a CPI increase of 1.5%
Year three sub-total	\$313,372	\$267,257	\$46,116	
Contract term totals	\$926,293	\$789,979	\$136,313	

The comparison doesn't take into account:

- MomentumOne's access to a sliding pay scale for teenagers
- the positive effect of MomentumOne's innovative technology solutions on Council's business (including administrative savings such as recruitment, payroll, and OHS), or
- the option of accessing MomentumOne's additional rates (Schedule 3 in their tender) for other staff classifications

all of which will provide further un-costed savings.

CONCLUSION

Following a comprehensive evaluation (conducted according to the Probity Plan), it is considered that the tender from MomentumOne Shared Services Pty Ltd will provide best value for Council.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report:

- Director Corporate Performance
- Manager Facilities
- Manager Corporate

ATTACHMENT(S)

- 8.2.4 b) Probity Plan



8.2.5 Waste Contract Extensions

File Number: 110220; 1102204; 201102202 & 1102203

INTRODUCTION

The purpose of this report is to activate a two year extension on each of the listed, expiring contracts.

Cr Pearce

Cr Farrell

That:

- 1. Contract No. 1102201 with P & A Smith, for the provision of Public Waste and Recycling Collection - Upper & Lower Ovens Valley, be extended by 2 years to 31 August 2018.*
- 2. Contract No. 1102202 with P & A Smith, for the provision of Facility Cleaning Services - Upper & Lower Ovens Valley, be extended by 2 years to 31 August 2018.*
- 3. Contract No. 1102203 with Mount Beauty Carpet Care Pty Ltd, for the provision of Facility Cleaning Services - Kiewa Valley, be extended by 2 years to 31 August 2018.*
- 4. Contract No. 1102204 with Mount Beauty Carpet Care Pty Ltd, for the provision of Public Waste and Recycling Collection - Kiewa Valley, be extended by 2 years to 31 August 2018.*

Carried

BACKGROUND

The current contracts were awarded at the August 2011 Ordinary Council Meeting following a state wide invitation to tender process.

The contracts commenced on 1 September 2011, for a five year period; each has two 2 year extension options available.

P&A Smith and Mount Beauty Carpet Care are satisfactorily meeting the requirements under their contracts.

The contracts are based upon a schedule of rates that tabulates contracted prices against standard services and additional services. Costs are billed monthly based upon agreed standard services and agreed services.

ISSUES

A review of waste services is almost completed, analysing kerbside collection, transfer station/landfill operation, and public waste, recycling and cleaning.

Regarding public waste, recycling and facility cleaning, the review finds that:

- the current contracts are very cost effective (including against in-house service delivery)



- the current contractors are satisfactorily delivering the quality elements of the contracts, and
- granting a two year extension of each contract will provide best value to the community and Council

Councillors have been separately briefed on the waste services review.

POLICY IMPLICATIONS

The preparation of the proposed contract extension is consistent with the requirements of the Procurement Policy

This recommendation is consistent with the following Council Plan Strategic strategies:

- 2.2.1 - minimise the impact of Council services on the environmental amenity of the community
- 5.2.2 - deliver best value programs and services

FINANCIAL AND RESOURCE IMPLICATIONS

The 2016/17 budget allocation for the provision of these contracted services is:

Provision of Public Waste and Recycling Collection - \$124,000

Provision of Facility Cleaning Services - \$156,400

CONCLUSION

The recommendation to extend the current contracts by two-year represents best value will allow continuation of the current services within the available budget.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Director Corporate Performance
- Manager Facilities

ATTACHMENT(S)

- Nil



8.3 DIRECTOR ASSETS – CHARLIE BIRD

8.3.1 Better Indoor Stadiums Fund – Myrtleford Indoor Sports Stadium Expansion

File Number: 1780.82

INTRODUCTION

An opportunity exists for Council to seek funding to establish a second indoor sports stadium court in Myrtleford. This report outlines the project and details of the proposed funding application and seeks Council's financial commitment towards the project.

Cr Vonarx

Cr Roper

That Council:

- 1. Authorise the submission of a State Government grant application for the expansion of the Myrtleford Indoor Sports Stadium with a Council commitment of no more than \$1,300,000, subject to:*
- 2. The Myrtleford Recreation Reserve Committee of Management committing to the ongoing management and maintenance cost of the expanded facility.*

Carried

BACKGROUND

In September 2014, Council was granted \$30,000 funding from Sport and Recreation Victoria (SRV) under the Community Facility Funding Program to evaluate options for a second indoor sports stadium court in Myrtleford. Following initial stakeholder consultation and screening of potential options, the feasibility study focussed on the following options:

1. Expansion of the existing Myrtleford Indoor Sports Stadium with the addition of a second court;
2. Building a new indoor stadium on a site at the Myrtleford P-12 College; and
3. Building a new indoor stadium on a site at Marian College in Myrtleford.

The benefits and disadvantages of each option have been investigated. The estimated cost and viability has been established, and possible management models have been considered.

The feasibility study report presents a conclusion that there is strong latent demand for additional indoor sports facilities in Myrtleford, which cannot be satisfied with the existing stadium. The recommended option for providing an additional court is through expansion of the existing facility. The estimated cost of expanding the stadium with the addition of a second court is \$2.6 million.

On 1 July 2016 the Better Indoor Stadiums funding program opened. This is a Victorian Government funding program that helps provide indoor multi-sport stadiums across metropolitan Melbourne and regional Victoria. The fund assists in



meeting the community demand for indoor sport and recreation participation opportunities.

Applicants seeking funding need to outline how the project will increase or maintain participation; encourage participation by females, juniors, people living in growth areas and communities experiencing disadvantage; and improve the health and wellbeing of the community. Priority will be given to projects that can demonstrate collaboration with schools and multiple sporting organisations, are of regional significance and can also demonstrate gender equity of programming.

The Better Indoor Stadiums Fund is only accessible to local government authorities. The maximum funding allocation per application is \$3 million, and for rural councils a maximum funding ratio of \$1:\$1 is applicable. 25 per cent of the requested grant amount must be allocated to components that will improve energy or water efficiency and environmental sustainability. Applications are due 20 September 2016.

ISSUES

The support of, and a partnership with both the Myrtleford P-12 and Marian colleges is critical to a successful funding application. Expansion of the existing stadium on the Myrtleford Recreation Reserve has been identified as the preferred option in the feasibility study, and is the preferred option for Marian College. Whilst the preferred option for Myrtleford P-12 College is a new single court stadium on their school site, they are supportive of the expansion of the existing stadium or a new stadium at Marian College. Myrtleford P-12 College has indicated that it would commit at least \$250,000 to the capital cost of the project if it was located on their school grounds.

Expansion of the existing stadium will require a significant financial commitment from Council and community partners. The Myrtleford and District Basketball Association indicated that it would contribute \$50,000 towards the capital cost of an expanded stadium. Council's application would be further strengthened with a financial commitment from other community partners. Contributions are currently being sought from Myrtleford P-12 College, Marian College, Bendigo Bank and the Lions Club.

To ensure the ongoing management and maintenance of the expanded facility is sustainable, a multi-party agreement will need to be formalised between the Myrtleford Recreation Reserve Committee of Management, Myrtleford Indoor Sports Stadium Committee of Management, and key users of the facility. In effect, Council will not be financially responsible for the ongoing management and maintenance of the expanded facility.

POLICY IMPLICATIONS

Implementation of the Myrtleford Indoor Sports Stadium Expansion is consistent with the following Strategic Objectives of the Council Plan:

- 3.1 - To support the health and wellbeing of communities; and
- 4.1 - To effectively plan and deliver strategic and major projects.



FINANCIAL AND RESOURCE IMPLICATIONS

The estimated cost of the stadium expansion is \$2.6 million, with \$1.3 million to be sought from grant funding and the remaining \$1.3 million from Council funds and other community partners. It is anticipated that this expenditure would be incurred over the 2017/18 and 2018/19 financial years, with the majority of spend coinciding with the construction phase of the project in 2018/19.

The impact of committing to the stadium expansion has been modelled in the Long Term Financial Plan (LTFP). The existing adopted 2016/17 LTFP shows unallocated building funds of \$926k, \$1,122k and \$1,900k in 2017/18, 2018/19 and 2019/20 respectively. The proposed LTFP including the Myrtleford Sports Stadium Expansion shows unallocated building funds reduced to \$606K in 2017/18 and zero in 2018/19, with no impact beyond 2018/19. In both scenarios, \$300K has been allocated to the Alpine Events Park in 2017/18 and 2018/19.

A review of historic data shows a building renewals spend of \$159k, \$474k and \$89k in the 2013/14, 2014/15 and 2015/16 financial years respectively. In the 10 years prior to this, from 2003/04 to 2012/13, the average annual capital spend on buildings was \$772k. A breakdown of this data into renewal and upgrade/new spend is not available. Capital expenditure on buildings is typically tied in with external funding opportunities.

CONSULTATION

Key stakeholders have been regularly consulted throughout the feasibility assessment:

1. A kick-off meeting was held in October 2015 with representatives from Council, the Myrtleford Indoor Sports Stadium Committee of Management, Facilities Manager, Myrtleford P-12 and Marian colleges, and all user groups of the existing stadium;
2. All existing and potential facility users and key stakeholders have been consulted individually to identify key issues, priorities and opportunities;
3. A workshop was held with key stakeholders in December 2015 where the draft architectural plans and cost estimates were presented for comment;
4. Further strategic planning was undertaken with the Myrtleford and District Basketball Association to ensure adequate succession planning is in place; and
5. The draft feasibility study report was presented to key stakeholders in April 2016.

Sport and Recreation Victoria have supported the feasibility study with grant funding, and are supportive of an application to the Better Indoor Stadiums Fund on the basis of the recommendations of this feasibility study.



CONCLUSION

A feasibility study has demonstrated strong latent demand for an additional indoor sports stadium court in Myrtleford, and the recommended option is to expand the existing Myrtleford Indoor Sports Stadium with the addition of a second court.

The stadium expansion fulfils the requirements for funding under the Better Indoor Stadiums Fund.

The LTFP has unallocated building funds in 2017/18 and 2018/19 which could fund Council's maximum contribution to the cost of the stadium of \$1.3 million. Such a commitment would reduce unallocated building funds to zero in 2018/19, unless funds allocated in 2019/20 are brought forward. Securing additional third party contributions to the cost of the build would reduce Council's commitment.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Manager Asset Development
- Director Assets

ATTACHMENT(S)

- Nil



8.4 DIRECTOR SUSTAINABLE DEVELOPMENT – HEATHER GREEN

8.4.1 Alpine Amendment C51 Review of the Schedule to the Heritage Overlay

File Number: 1468.51

INTRODUCTION

The purpose of this report is to update Council on Amendment C51 to the Alpine Planning Scheme which seeks to:

(1) Update the schedule to the Heritage Overlay following a review by adding 105 new places to the Schedule, removing 2 items and amending 42 addresses from parcel to street addresses.

Council officers are now seeking Council's:

- Consideration of the submissions received during the exhibition process; and,
- Endorsement of Council officers' views in response to the matters raised in the submissions. These will be forwarded to the Minister for Planning with an application for him to approve Amendment C51.

Cr Roper moved an alternative motion.

Cr Roper

Cr Keeble

That the proposed Planning Scheme Amendment C51 be abandoned.

Motion lost

Cr Vonarx

Cr Farrell

That Council:

- 1. endorse Officers recommended position on all the submissions received to Planning Scheme Amendment C51 as outlined in Appendix 1 of the officers report;*
- 2. adopt Amendment C51 to the Alpine Planning Scheme under Section 29(1) of the Planning and Environment Act 1987;*
- 3. authorise Amendment C51 to the Alpine Planning Scheme to be submitted to the Minister for Planning for Approval under Section 31(1) of the Planning and Environment Act 1987.*

Motion lost

A Division was called for by Cr Farrell

For: Cr Vonarx, Cr Janas, Cr Keeble and Cr Farrell

Against: Cr Roper, Cr Pearce and Cr Forsyth

Carried



BACKGROUND

The Alpine Planning Scheme's schedule to the Heritage Overlay was last reviewed in 2003 when the Bright Court House and Lock Up were added to the Schedule.

In 2004 Council received funding from State Government to undertake a Thematic Environmental History of the Shire. This detailed the history of the Shire noting its environmental, alpine, built, mining and agricultural history.

Following the completion of the Thematic Environmental history citations detailing the historical significance of a variety of buildings and places were written between 2004 and 2008.

In 2008 consultation was carried out on the Thematic Environmental history and citations. The history and citations were not incorporated into the planning scheme until the proposal in 2016 to exhibit formally as part of Amendment C51. Exhibition took place between 5th May 2016 and 17 June 2016 for 6 weeks.

20 submissions were received through the exhibition process.

ISSUES AND CONSULTATION

Consultation took place on Amendment C51 during the exhibition period. Letters were sent out to landowners and occupiers using the rates database. Notification was sent to prescribed ministers, referral authorities along with general advertisements of the amendment being placed in the Alpine Observer and the Myrtleford Times twice during the exhibition period. A post on Facebook also took place. Exhibition was between 5 May and 17 June 2016. The exhibition period was longer than the statutory notice period to ensure people could input into the Amendment.

There were about thirty counter and telephone enquiries. Twenty submissions were received from statutory agencies as well as members of the public. Appendix 1 details the submissions received including who they were, what was said, Council's response and the further response from the submitter.

The predominant issues for telephone and counter enquiries focussed on what the Heritage Overlay would actually mean for property owners and what it would or would not allow people to do. Comments were also made relating to the historical facts written in the citations, some stating that the facts were incorrect. This has led to the need to carry out further investigations.

There were 5 submissions from statutory agencies including the North East Water (NEW), Department Environment Land Water and Planning (DELWP), North East Catchment Management Authority (NECMA), Vic Roads and the Department Economic Development, Jobs, Transport and Resources (DEDJTR). The NECMA submission did not raise any objections. Vic Roads, NEW and DELWP wanted to ensure that they could do routine maintenance and carry out emergency repairs to their infrastructure. The Planning Legislation allows these to occur without approvals. DEDJTR wanted the Sambas Mine to be deleted because some of the heritage items listed for protection on the Overlay may cause environmental harm. Further



investigations and a rehabilitation plan are required so the item has been deleted from the proposed Overlay.

A further 15 submissions were received from members of the public. These are detailed in Appendix 1 of this report. Ministerial Direction 15 sets out timelines to complete the various stages of a planning scheme amendment. Some of the submissions require further investigation including sites visits, discussions with Council's Heritage Adviser and work with Heritage Victoria. Because of this it is proposed that these items requiring further investigation are temporarily deleted from the Heritage Overlay which will allow Council to meet its timelines obligation under Ministerial Direction 15. These items will become the subject (phase 2) of a future planning scheme amendment to update the Heritage Overlay.

POLICY IMPLICATIONS

The amendment amends some of the strategic directions for land use related to heritage in Alpine Shire, including amending policy directions for protection and conservation of significant heritage items through the review of the Schedule to Heritage Overlay.

This complements Council's own policies and strategies namely the Alpine Shire Council Plan 2013-2017 (review 2015).

The amendment links to and implements the Council Plan, in particular the themes:

- Enhance the environment and liveability; and,
- Prosperous economy, employment and investment.

The amendment links to and implements the whole of the Alpine Shire 2030 Community Vision (2010 review), that is the vision and five out of the seven key directions of:

2. Sympathetic and balanced development;
3. Economic prosperity;
4. Identity and character of our towns, villages and rural communities;
5. Services and facilities (health, wellbeing and lifestyle);
6. Linkages between communities; and,

The amendment also meets Council's obligations under the Local government Act 1989 Sections 126(2A and 2B) relating to the four-year Strategic Resource Plan.

FINANCIAL AND RESOURCE IMPLICATIONS

Amendment C51 has been prepared using internal resources. Funding is available in the 2016/2017 budget for this amendment.

CONCLUSION

Council has used existing reports written between 2004 and 2008 that identify historical data and properties of significance to be included in a revision of the Schedule to the Heritage Overlay. Amendment C51 will improve the effectiveness of



the Alpine Planning Scheme by implementing the findings of this revision and in doing so acknowledge the Shire's heritage.

Twenty submissions were received to C51. This is a small number considering the number of properties to be listed.

Council is now required to endorse the position statement in Appendix 1 in response to submissions, adopt the amendment and endorse Amendment C51 to be sent for Approval to the Minister for Planning.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the Local Government Act 1989, officers providing advice to Council must disclose any interests, including the type of interest. The following officers declare that they have no interests to disclose in providing this report:

- Director Sustainable Development;
- Acting Manager Planning and Amenity; and,
- Strategic Planner.

ATTACHMENT(S)

- 8.4.1 Appendix 1 details of submissions and Council's response to them.



8.4.2 Planning Application 5.2016.39.1 – Proposed Telecommunications Tower, Rosewhite

Application Number:	5.2016.39.1
Proposal:	Development of the land with a telecommunications facility
Applicant's Name:	Visionstream Pty Ltd (on behalf of Telstra Corp Ltd)
Owner's Name:	W Maguire
Address:	CA 4A Sec 23 Parish of Barwidgee, 182 Havilah Road, Rosewhite
Land size:	54.35 hectares
Current use and development:	Grazing and single dwelling
Site features:	The site is gently undulating and has been developed with a single storey dwelling located near the middle of the site's frontage to Havilah Road. The site is largely cleared with the exception of vegetation located along waterways and in the vicinity of the dwelling. The remainder of the site is pasture grass.
Why is a permit required?	Buildings and works for a telecommunications facility under the provisions of Clause 52.19 Telecommunications Facility.
Zoning:	Farming Zone
Overlays:	Significant Landscape Overlay - Schedule 2
Restrictive covenants on the title?	No
Date Received:	6 April 2016
Planner:	Simon Maughan

Cr Keeble

Cr Forsyth

That Council issue a Notice of Decision to Grant a Planning Permit for buildings and works for a telecommunications facility at 182 Havilah Road, Rosewhite in accordance with the conditions outlined in Appendix A.

Carried

**REASON FOR THE RECOMMENDATION**

- The proposed telecommunications facility is generally consistent with the relevant provisions of State and Local Planning Policy Frameworks.
- The proposal complies with the purpose and decision guidelines of Clause 52.19 Telecommunications Facility.
- The proposed telecommunications facility would be sited so as to minimise visual impacts on the Happy Valley Significant Landscape Area.
- The proposed telecommunications facility would deliver modern telecommunications infrastructure to an area that has been identified as a mobile black spot area providing a net benefit to the community.

PROPOSAL AND BACKGROUND

It is proposed to construct a telecommunications facility on the site. The facility would comprise:

- A 35 metre high concrete monopole
- 6 panel antennas measuring approximately 2533mm x 353mm x 209mm located on a triangular headframe attached to the monopole. The antennas would give the facility an overall height of 36.3 m.
- An equipment shelter measuring approximately 3 metres wide by 2.5 metres long by 3 metres high. The shelter will house electrical equipment associated with the facility.
- Underground optical fibre and power supply.
- A 2.4-metre high chain wire fence to enclose the facility.

The facility is proposed to be set back approximately 150 metres from Havilah Road adjacent to the site's south western boundary and would encompass an area measuring 10 metres by 10 metres. A 3 metre wide access track from Havilah Road would provide access to the site of the facility.

PROPOSED TELSTRA PANEL ANTENNAS (B OFF A1, A2, A3, A4, A5 & A6)

PROPOSED SIGNS TO BE UV STABLE STICKERS AND FIXED TO REAR OF ALL TELSTRA PANEL ANTENNAS (B OFF)

PROPOSED TELSTRA TMA5 (B OFF) ATTACHED TO PROPOSED MOUNTS BEHIND PROPOSED PANEL ANTENNAS

PROPOSED TELSTRA TRIANGULAR HEADFRAME TO ACCOMMODATE PROPOSED TELSTRA ANTENNAS

PROPOSED TELSTRA 35m HIGH CONCRETE ROCK MONOPOLE

PROPOSED TELSTRA FEEDER CABLES RUN INTERNALLY TO MONOPOLE

PROPOSED SIGN TO BE SECURED 1.5m AGL TO MONOPOLE USING STAINLESS STEEL STRAPS

PROPOSED TELSTRA STANDARD 3 WIRE STAR PICKET COMPOUND FENCE (10m x 10m) WITH 3m WIDE ACCESS GATE

PROPOSED TELSTRA MONOPOLE FOOTING 5m x 5m (INDICATIVE ONLY)

PROPOSED TELSTRA 450W CABLE LADDER (APPROX 3m) AND SUPPORT POST

PROPOSED TELSTRA LTE/4G GPS ANTENNA ON STANDARD MOUNT

PROPOSED TELSTRA EQUIPMENT SHELTER (3.0m x 2.5m) TO ACCOMMODATE PROPOSED EQUIPMENT

PROPOSED TELSTRA METER PANEL

PROPOSED SIGN TO BE SECURED TO COMPOUND ACCESS GATE USING STAINLESS STEEL STRAPS

SITE EME SIGNAGE

#2 EME TELSTRA #2 SIGN
PROPOSED SIGNS TO BE UV STABLE STICKERS AND FIXED TO REAR OF ALL TELSTRA PANEL ANTENNAS (B OFF)

#6 EME TELSTRA #6 SIGN
PROPOSED SIGN TO BE SECURED 1.5m AGL TO MONOPOLE USING STAINLESS STEEL STRAPS

#13 EME TELSTRA #13 SIGN
PROPOSED SIGN TO BE SECURED TO COMPOUND ACCESS GATE USING STAINLESS STEEL STRAPS

E.L. 26.3m (±100mm) OVERALL HEIGHT

E.L. 90.3m (±100mm) TOP OF PROPOSED POLE CL. OF PROPOSED TELSTRA PANEL ANTENNAS (B OFF A1, A2, A3, A4, A5 & A6)

E.L. 90.3m (±100mm) GROUND LEVEL

SOUTHWEST ELEVATION
SCALE 1:150

1.5m 0 1.5m 3m 4.5m 6m 7.5m SCALE 1:150

NOTES:

- ALL FEEDER ACCESS POINTS ON THE STRUCTURE MUST BE BIRD PROOFED AS PER EXTERNAL PLANT POLICY 000815.
- ALL DIMENSIONS ARE IN MILLIMETRES UNLESS SPECIFIED OTHERWISE.
- FOR EME SIGNS NOTED AS #2, #6, #13 REFER TO 005486 DOCUMENTS FOR DETAILS.

TO BE READ IN CONJUNCTION WITH SHEETS S1 & S3-1.

ORDER	DRAWN	CHKD	AMENDMENT	EXAM	APPD	DATE	ISS
FW/SLP	W	W	PRELIMINARY - 30/08/2011 (PL - 17570)	UD	JA	12/2/11	1

PRELIMINARY

Telstra

MOBILE NETWORK SITE 298243
ROSEWHITE CMTS
SOUTHWEST ELEVATION
182 HAYLAH RD, ROSEWHITE, VIC 3737

VISIONSTREAM

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Doc No: V111913

Rev: 01

Scale: 1:150

Sheet: 6 of 6

Figure 1: Proposed south-western elevation of the facility



The purpose of the facility is:

- To provide mobile coverage to areas of Rosewhite and Havilah through the Federal Government's Mobile Black Spot Program to expand mobile coverage in regional and remote Australia.
- To provide capacity relief to existing Telstra sites. The proposed facility would provide relief to the nearest existing Telstra sites in Myrtleford and Bright, and would carry new local cellular traffic in its vicinity. Surrounding sites have been expanded to their 3G maximum capability and this additional site is required to meet the traffic demand and growth in the area.
- To provide reliable NextG Telstra cellular services. Next G is Telstra's product name for an enhanced cellular service.

SUBJECT LAND AND SURROUNDS

The subject site is located on the south-western side of Havilah Road in Rosewhite. It is known as CA 4A Sec 23 Parish of Barwidgee and is one of three titles that form 182 Havilah Road, Rosewhite. The site is 54.35 hectares in area and contains a single dwelling set back approximately 105 metres from the front property boundary.

The site generally slopes from the south to the north and is largely cleared with the exception of vegetation located along waterways and in the vicinity of the dwelling. The remainder of the site is pasture grass. Four watercourses traverse the site – the nearest of which is approximately 130 metres from the proposed telecommunications facility.

The land surrounding the site is located in the Farming Zone and is used for the grazing of cattle. Figure 6 below depicts the subject site and surrounds.

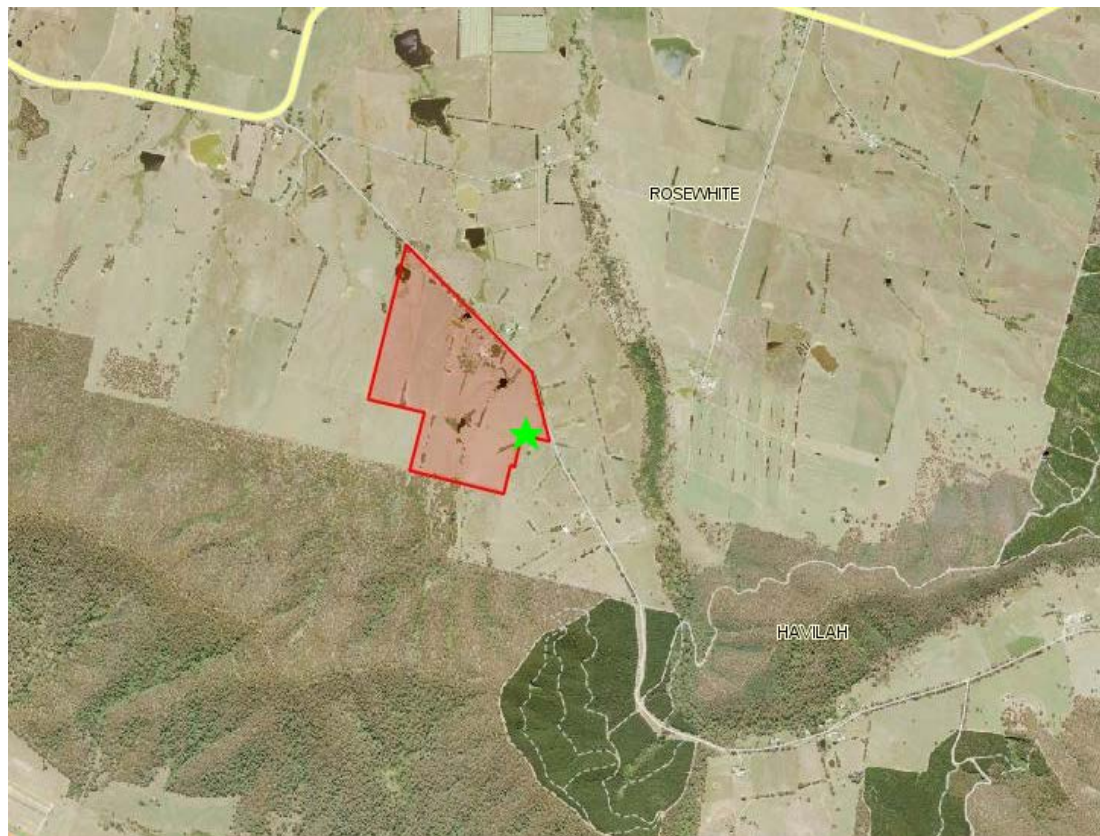


Figure 2: Subject Site and Surrounds

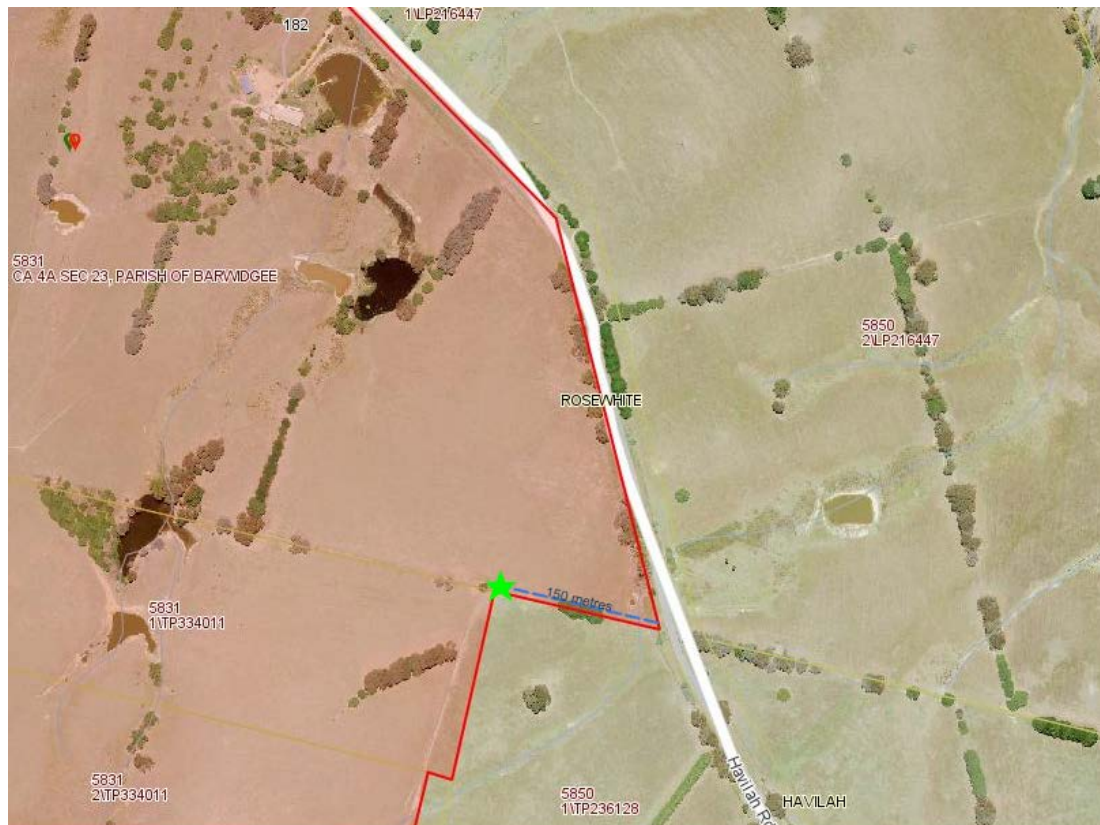


Figure 3: Site Plan



PUBLIC NOTIFICATION

The application was advertised in accordance with Section 52 of the *Planning and Environment Act 1987*. Notice of the application was sent to seven surrounding landowners and occupiers. A sign was displayed on the subject land and a notice was published in the Myrtleford Times and Alpine Observer newspaper. Five objections and one submission of support were received. The grounds of objection are as follows:

- Lack of coverage of the facility to Havilah residents
- Visual amenity of the facility and its impact on the landscape

A planning forum was held on 4 July 2016 at the Happy Valley Hall in Rosewhite to discuss the proposed facility. Invitations to the meeting were sent to all submitters and an invitation to the wider community was posted on Council's Facebook page. The planning forum was attended by about 20 members of the local community, Telstra's Area General Manager, representatives from Visionstream (the applicant), Councillor Ron Janas, CEO - Dave Barry, Director Sustainable Development - Heather Green and Acting Manager of Planning and Amenity - Simon Maughan. A staff member representing Ms Cathy McGowan, MP was also present.

During the meeting the following matters were discussed:

- Details of the application
- Other siting options considered
- Details of the Federal Government's Mobile Black Spot Program
- Existing and proposed coverage
- Visual amenity
- Relevant planning considerations with respect to telecommunication facility applications

All of the objections to the proposal raised concern with the coverage that the telecommunications facility provide and specifically that it would not provide coverage to properties in Havilah valley. Extensive discussion was held around this topic with the following noted:

- Telstra acknowledged that properties in Havilah valley were unlikely to receive coverage due to a steep escarpment separating the valley and the proposed facility.
- The steep topography of the locality means it is not possible to cover all properties.
- Multiple factors such as the technical feasibility of sites, the cost of providing services, site acquisition, landowner consent, local and state approvals, and the existence of local infrastructure all played a part in the selection of the site.
- Alternative satellite technology is available that will provide mobile services to areas that will not be covered by the proposed facility.



- The landline phone service in Havilah suffers frequent drop-outs. Telstra's representative gave an undertaking to have this service assessed and any problems repaired.
- The coverage of the facility is not a matter that can be considered as part of this application.

Since the meeting, one objection has been withdrawn and a further five submissions of support have been received.

REFERRALS

There are no referrals required as part of the assessment of this application.

PLANNING ASSESSMENT

State Planning Policy Framework

The relevant State planning policy is Clause 19.03-4, Telecommunications. The State objective is:

To facilitate the orderly development, extension and maintenance of telecommunication infrastructure.

The strategies to implement the objective can be viewed at

http://planning-schemes.delwp.vic.gov.au/schemes/vpps/19_SPPF.pdf.

In response to the relevant strategies the following is submitted in relation to the proposed telecommunications tower:

- The proposal will facilitate the upgrading of telecommunications facilities;
- The proposal will enable the local community to have access to modern telecommunications; and,
- The proposal strikes the right balance between the provision of important telecommunications services and the need to protect the environment from adverse impacts arising from telecommunications infrastructure. The proposed facility will provide a vital service to the community whilst minimising any visual and environmental impact.

Local Planning Policy Framework

The Local Planning Policy Framework (LPPF) includes the following in its objectives at Clause 21.05-2 regarding commercial and industrial activity

- *Support the elimination of telecommunication black spots.*
- *Support the development and installation of improved telecommunications including the National Broadband Network in appropriate locations.*

Strategies to achieve this include:

- *Recognising that development of the digital economy is a great opportunity for rural business growth across the Shire.*



It is considered that the proposed telecommunications facility supports the objectives and strategy of the LPPF as it will provide telecommunication services to a current black spot area. In turn it will assist in the commercial activities of the Shire by providing digital tools for use in business in this area.

Zone

The subject land is zoned Farming pursuant to the Alpine Planning Scheme. There is no permit trigger for the proposal in the Farming Zone provisions.

Overlays

The site is subject to Significant Landscape Overlay Schedule 2 (SLO2) – Happy Valley Significant Landscape Area. There is no permit trigger for the proposal in the SLO2 provisions. It is noted.

Particular Provisions

Clause 52.19 Telecommunications Facility

A planning permit is required for buildings and works for the proposed telecommunications facility. Before deciding on an application, the responsible authority must consider the following:

1. The principles for the design, siting, construction and operation of a telecommunications facility set out in 'A Code of Practice for Telecommunications Facilities in Victoria'.
2. The effect of the proposal on adjacent land.
3. If the telecommunications facility is located in a Significant Landscape Overlay; the decision guidelines in the overlay and the schedule to the overlay.

1. A Code of Practice for Telecommunications Facilities in Victoria (July 2004)

The Code of Practice sets out four principles for the design, siting, construction and operation of a telecommunications facility. The following is a response to these principles.

Principle 1 – A telecommunications facility should be sited to minimise visual impact.

The facility would be set back approx. 150 metres from Havilah Road and would be partially screened from view by existing roadside vegetation. It would also be set back approx. 550 metres from the nearest neighbouring dwelling to the south and would be partially screened from this dwelling by vegetation surrounding the dwelling and scattered trees in paddocks between the dwelling and the facility.

In order to further screen the facility, a condition of any approval issued will require the equipment shelter to be screened through the planting of appropriate vegetation around the compound. The applicant will be required to plant trees with a minimum height of 10 metres at maturity as well as lower storey screening vegetation in order to further reduce the visibility of the facility.

It is noted that telecommunication facilities by their very nature are required to be visible in order to have clear transmitting and receiving paths and a balance needs to be struck between minimising the facility's visual impact while providing effective



service coverage. It is considered that this has been achieved for the proposed facility.

Principle 2 - Telecommunications facilities should be collocated wherever practical.

The facility is proposed to service a mobile black spot area. There are no opportunities to co-locate the facility on an existing pole or tower.

Principle 3 - Health standards for exposure to radio emissions will be met.

The proposal has been designed and will be installed so that that the maximum human exposure levels to radio frequency emissions comply with *Radiation Protection Standard – Maximum Exposure Levels to Radiofrequency Fields – 3kHz to 300 GHz*, Arpansa, May 2002. A condition will be placed on any approval issued requiring these health standards to be met.

Principle 4 - Disturbance and risk relating to siting and construction should be minimised; Construction activity and site location should comply with State environment protection policies and best practice environmental management guidelines.

Construction activity will be limited and will comprise the construction of the access track and minimal excavation of the site to install the tower and equipment shed. Appropriate conditions will be placed on any permit to ensure that site disturbance is minimised and that the works comply with best practice environmental guidelines.

2. The effect of the proposal on adjacent land

As discussed, the proposed facility would be located approx. 550 metres from the closest neighbouring dwelling. The facility would be screened from the dwelling by existing vegetation adjacent to the dwelling and in adjoining paddocks. The facility will be further screened with proposed landscaping as detailed above. As such it is considered that the proposed facility will not have a negative impact on the amenity of adjoining properties.

The proposal will have a net positive impact on adjacent land as it will deliver mobile telephone and internet services to these properties, addressing an identified need for mobile telecommunications to these locations and the surrounding area.

3. If the Telecommunications facility is located in a Significant Landscape Overlay, the decision guidelines in the overlay and the schedule to the overlay

The site is located in Significant Landscape Overlay Schedule 2 – Happy Valley Significant Landscape Area which is described as follows:

Happy Valley is surrounded by escarpments and ridges, forested by both native vegetation and softwood, which contrasts with the fertile valley floor. Mount Buffalo is a dominant feature of this landscape as viewed from the eastern end of the valley.

The proposed tower is to be located on cleared agricultural land near the transition point between cleared farmland floor and heavily vegetated escarpments. Most viewpoints of the proposed facility will have the backdrop of vegetated escarpments which will assist in screening the facility within the landscape. The proposed facility will not impact on views of Mount Buffalo.



The equipment shelter would be unobtrusive and will be screened with vegetation. The monopole would be grey in colour which has been found to be the most effective colour to blend in with the natural landscape. No vegetation is required to be removed to accommodate the facility.

The proposal is considered to have addressed the relevant decision guidelines of the overlay by minimising its impact on the landscape through careful siting, unobtrusive colour and general appearance.

General Provisions

Clause 65 of the Alpine Planning Scheme provides the decision guidelines that must be considered before deciding on an application. The decision guidelines that are appropriate to consider in this instance include:

'The matters set out in Section 60 of the Act.'

The matters of section 60 of the Act have been considered in the assessment of the application and it has been determined that the proposed development:

- Is consistent with the Alpine Planning Scheme;
- Is consistent with the objectives of planning in Victoria;
- Is consistent with the purpose of Clause 52.19.

'The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.'

The proposal is consistent with the SPPF, LPPF, MSS and local planning policies with regard to the provision of telecommunication facilities.

'The purpose of the zone, overlay or other provision.'

The proposal is consistent with the purpose and decision guidelines of Clause 52.19 Telecommunication Facility as outlined in this report.

'The orderly planning of the area.'

The proposal would provide a vital service to the community whilst minimising any visual or environmental impact on the site and surrounding landscape.

'The effect on the amenity of the area.'

The facility would be sited to reduce any visual impact it may have on the Happy Valley landscape. In turn it would provide an important telecommunications service to the surrounding area, thereby improving amenity for these residents.

'The proximity of the land to any public land.'

The subject site is approximately 700 m to the north of the nearest public land and would not impact on its use.

'Factors likely to cause or contribute to land degradation, salinity or reduce water quality.'

The footprint of the proposal of 100 sqm is relatively minor in comparison to the size of the site at over 50 hectares. The facility would be located in an area of minimal



slope and would not cause or contribute to land degradation, salinity or a reduction in water quality.

'Whether native vegetation is to be or can be protected, planted or allowed to regenerate.'

No vegetation is proposed to be removed to accommodate the proposal. As discussed, a condition of any approval issued will require further planting of native vegetation to be undertaken around the facility.

RESPONSE TO GROUNDS OF OBJECTION

Visual Impact

Consideration on whether the proposed facility is acceptable in the landscape is a key element of this application as the land and surrounding area are covered by Schedule 2 to the Significant Landscape Overlay. The Significant Landscape Overlay applies to Happy Valley due to its contrast between the cleared flat to undulating valley floor and the steep treed mountains. As discussed, the proposed facility would be located near to where the landscape transitions from the valley floor to heavily vegetated escarpments. The presence of these steep hills as a backdrop will assist in reducing the presence of the structure and will enable it to successfully blend in with its surrounds. It is considered that the proposal has struck an appropriate balance between the provision of an important service and its visual impact on the environment.

Lack of coverage of the facility to Havilah residents

Due to a steep escarpment separating the proposed facility and Havilah valley, the facility will not provide coverage to properties in Havilah valley. To that end, the applicant has provided details as to the multi-faceted criteria used to determine the choice of new facilities under the Mobile Black Spot Program. This includes identifying areas with a lack of outdoor coverage and the number of people who would benefit from a new facility. Other factors such as the technical feasibility of sites, the cost of providing services, site acquisition, landowner consent, local and state approvals, and the existence of local infrastructure all played a part in the selection of the site.

All of the above criteria were applied to choose the proposed site that aims to provide new and improved coverage to parts of both the Havilah and Rosewhite localities. Notwithstanding the site selection criteria, it is inevitable that some locations will not receive coverage. This is particularly the case in a location with such steep topography.

While a section of Havilah valley will not receive coverage, large areas of the Rosewhite locality will receive coverage as a result of the facility. See Appendix C for existing coverage and proposed coverage of

Ultimately the planning permit application can only be assessed against the relevant decision guidelines of the planning scheme for telecommunications facilities. The coverage of the facility is not a matter that can be considered as part of this application, as it does not form part of the decision guidelines in the relevant clauses



of the Alpine Planning Scheme or the Code of Practice for Telecommunications Facilities in Victoria. Accordingly, the objections citing a lack of coverage to properties in Havilah valley cannot be considered in determining the application.

CONCLUSION

The application is considered to be consistent with the Alpine Planning Scheme and should be approved for the following reasons:

- The proposed telecommunications facility has been sited to minimise visual impact on the Happy Valley Significant Landscape Area through its location on the valley floor with the backdrop of a heavily vegetated mountain range.
- The proposed facility has been sited the maximum possible distance from nearby residents in order to minimise amenity impacts while providing mobile coverage to the surrounding area; and,
- The proposed facility will implement State and local planning policy for the delivery of modern telecommunications infrastructure including coverage in a current black spot area.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, officers providing advice to Council must disclose any interests, including the type of interest. The following officers declare that they have no interests to disclose in providing this report:

- Director Sustainable Development;
- Acting Manager Planning and Amenity

ATTACHMENT(S)

- 8.4.2 Attachment A: Conditions (see following page)
- 8.4.2 Attachment B: Development Plans and Photo Montages
- 8.4.2 Attachment C: Existing and proposed mobile coverage

**8.4.2 Attachment A: Conditions**

1. The development allowed by this permit as shown on the endorsed plans and/or described in the endorsed documents must not be altered or modified (for any reason) except with the prior written consent of the Responsible Authority.
2. The materials used in the construction of the monopole, antennae, headframe and equipment shelter must be in muted tones and of a non-reflective nature, to the satisfaction of the Responsible Authority.
3. Before the development starts, a landscape plan must be submitted to and approved by the responsible authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions and three copies must be provided. The plan must show:
 4. Screen tree planting around the fenced enclosure.
 5. Unless otherwise agreed in writing by the Responsible Authority, all trees and shrubs must be species from the local Ecological Vegetation Class (EVC) and trees must be capable of achieving a minimum height of 10 metres at maturity.
 6. The vegetation shown on the endorsed plans must be maintained for a period of 5 years to the satisfaction of the Responsible Authority, including that any dead, diseased or damaged plants are to be replaced in that period. Maintenance is to include control of invasive weed species and pruning, as necessary.
 7. The vegetation is to be enclosed by a rabbit and grazing animal proof fence until such time as the vegetation reaches a size where it is no longer at risk from rabbits and grazing animals.
 8. Both access, including vehicle crossover, and site drainage must be constructed and maintained to the satisfaction of the responsible authority.
 9. The developer must restrict sediment discharges from any construction sites within the land in accordance with Construction Techniques for Sediment Pollution Control (EPA 1991).
 10. The applicant must ensure that the health standards for exposure to radio emissions are met as set out in "Radiation Protection Standard - Maximum Exposure Levels to Radiofrequency Fields- 3kHz to 300 Ghz, ARPANSA, May 2002", to the satisfaction of the Responsible Authority.
 11. If the use of the site as a telecommunications facility ceases, all associated infrastructure must, to the satisfaction of the responsible authority, be removed within six months of the use ceasing.
 12. This permit will expire if one of the following circumstances applies:
 13. a) the development is not started within two years of the date of this permit.
 14. b) the development is not completed within four years of the date of this permit.
 15. The responsible authority may extend the periods referred to if a request is made in writing before the permit expires, or within six months afterwards.



8.4.3 Dinner Plain Advisory Committee Meeting

File Number: 110.02

INTRODUCTION

The Dinner Plain Advisory Committee ("DPAC") meets on a quarterly basis in Dinner Plain with Council representation by: Director of Sustainable Development, the Manager of Economic and Community Development and the Dinner Plain Marketing and Events Support Officer. At this meeting the Manager of Corporate and Manager of Asset Development were in attendance. Minutes are attached from the meeting of 23 June 2016.

Cr Farrell

Cr Pearce

That:

- 1. the minutes of the Dinner Plain Advisory Committee meeting 23 June 2016 be noted.*
- 2. Council notes that the Dinner Plain Advisory Committee members are satisfied with the recent findings and results of the Audit works undertaken by Crowe Horwarth*
- 3. Council notes the recommendation of the Dinner Plain Advisory Committee relative to the future of DPAC.*

Carried

BACKGROUND

Most items raised at the DPAC meetings are matters that can be dealt with operationally by Council officers and within budget, therefore Council is required to make limited decisions. At the DPAC meeting on 23 June 2016, the following items were discussed:

- Dinner Plain audit results presented to DPAC members present;
- Asset Development – projects delivered in 2015/2016 FY and projects in the pipeline;
- Future of the Dinner Plain Advisory Committee;
- CFA Bushfire Management Forum;
- Q3 Finance Results Report;
- Ice Skating (pop up) proposal;
- WiFi;
- Marketing activity update;
- Events update.



ISSUES

Audit

The DPAC expressed thanks for the work carried out by Council in having a comprehensive audit completed and presented to the community over the opening ski weekend. The committee is satisfied with the findings of the audit and happy with the actions of Council to:

Develop a Long Term Financial Plan for Dinner Plain which includes:

Sustainable general and special rate projections

- Service level requirements
- Asset renewal requirements
- New asset development and flow on impacts
- Explore alternative finance systems for quarantining the DP business function

Future of DPAC

The DPAC term comes to conclusion after the council election and the committee discussed future options for a committee to represent the views of the Dinner Plain community. Primarily the committee is keen to understand how council would like a committee to work and they also provided options for the role and makeup of any future committee. The future of how community input will be obtained will be the subject of a report for Council's consideration following the election.

CONSULTATION

Consultation has occurred through DPAC, and through other informal discussions and correspondence with business operators and rate payers.

Audit: Ratepayers were provided with an opportunity to attend a community meeting at Dinner Plain and be presented with the results of the Dinner Plain audit.

Additionally, the results were provided to Dinner Plain Business Operators Society ("DPRBOS"), are available on Council's website and the CEO has responded to individual enquiries and offered to meet with concerned ratepayers.

CONCLUSION

The minutes of the June meeting of DPAC be noted.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the Local Government Act 1989, officers providing advice to Council must disclose any interests, including the type of interest. The following officers declare that they have no interests to disclose in providing this report:

- Director Sustainable Development;
- Manager Economic and Community Development

ATTACHMENT(S)

- 8.4.3 a) Minutes of Dinner Plain meeting
- 8.4.3 b) Dinner Plain Action Log



8.4.4 Dinner Plain Event Funding 2016/17

File Number: 1608.12

INTRODUCTION

This report outlines the recommended distribution of Dinner Plain's \$80,000 event funding budget for the 2016/17 financial year.

Cr Farrell

Cr Keeble

That:

1. Council endorse the following recommendations for Event Funding for Dinner Plain for the 2016/2017 Financial Year.

<i>EVENT NAME</i>	<i>APPLICANT</i>	<i>FUNDING</i>
<i>MTB Enduro & Funduro</i>	<i>BASE in Bright</i>	<i>\$4,000</i>
<i>The Mile High Trail Run</i>	<i>Running Wild</i>	<i>\$2,000</i>
<i>Christmas In July Winter Lights Show</i>	<i>Phoebe Moncur</i>	<i>\$12,000</i>
<i>Dinner Plain Sled Dog Challenge</i>	<i>Altitude 5000</i>	<i>\$6,000</i>
<i>Easter Festival</i>	<i>Event organiser to be determined</i>	<i>\$5,000</i>
<i>Australia Day Festival</i>	<i>Event organiser to be determined</i>	<i>\$5,000</i>
<i>New Year's Eve Fireworks</i>	<i>Event organiser to be determined</i>	<i>\$7,000</i>
<i>Snow Season Opening Weekend</i>	<i>Event organiser to be determined</i>	<i>\$3,000</i>
<i>Total</i>		<i>\$44,000</i>

Carried

BACKGROUND

Council endorsed an \$80,000 event funding budget for Dinner Plain for the financial year of 2016/17 which is an increase of \$20,000 on the previous financial year. Events are vitally important for the economy of Dinner Plain. The recommendation for funding is to support a mixture of events including existing successful events and new events, designed to underpin the crucial winter season while also attracting increased visitation and business during the summer months by targeting school holiday and public holiday periods.

The Dinner Plain Advisory Committee (DPAC) support the events recommended for funding as outlined.

Focal Promotions, the event organiser for the Geebung Polo was contracted to deliver the event for a four year period, ending after the 2018 event. Funding for the 2017 event has been approved for \$16,000 as part of the current contract.



Some events identified for funding are yet to have an organiser identified or confirmed. If this cannot be arranged the events will not proceed.

ISSUES

Event Information

a) Overview

The following table outlines the events that applied for funding, the amount requested, and the amount recommended.

EVENT NAME	2015 FUNDING	REQUESTED FUNDING	RECOMMENDED FUNDING
MTB Enduro & Funduro	\$2,500 (2014)	\$5,000	\$4,000
Mile High Trail Run	\$2,500	\$2,500	\$2,000
Christmas In July Winter Lights Show	N/A	\$17,000	\$12,000
Dinner Plain Sled Dog Challenge	\$6,000	\$6,000	\$6,000
Snow Season Opening Weekend	\$5,000	\$3,000	\$3,000
Easter Festival	\$5,000	\$5,000	\$5,000
Australia Day Festival	N/A	\$5,000	\$5,000
New Year's Eve Fireworks	N/A	\$7,000	\$7,000
MND Mountain Challenge (football game and lunch held in Omeo)	\$0	\$3,000	\$0
Geebung Polo (Contracted)	\$17,000	\$16,000	\$16,000
*Ice Skating Rink	N/A	\$20,000	*\$20,000
Total			\$80,000

**Estimate – further investigation to occur.*

b) Event Descriptions

Ice Skating Rink

Date: July school holidays

The hire of a temporary ice skating rink is of keen interest to the Dinner Plain community. A further report will be presented to Council once a site has been identified and further assessment of the financial viability of the proposal has been completed.

MTB Enduro & Funduro

Date: Sunday 30 October (Melbourne Cup Weekend)

The Enduro is a three hour mountain bike race that utilises the scenic trails around Dinner Plain. The event also includes a one-hour Funduro that loops around the village for kids and families. DP Riders club ran the Enduro for two years in 2013 and 2014 but didn't have the resources to run the event in 2015. A new event organiser, BASE in Bright plans to rejuvenate this event, which aligns well with Dinner Plain's



summer branding, promotes its investment in mountain bike trails and occurs at a time of year with seasonally low visitation.

The Mile High Trail Run

Date: Saturday 19 November

Now in its fourth year, this alpine trail running event promotes the scenic trails around Dinner Plain village and the Alpine National Park. Suited to varying abilities, it has five runs – 1km, 5km, 10km, 21km & 32km – with staggered start times. About 170 runners are anticipated in 2016. This event aligns well with Dinner Plain's environment and existing trail network. In addition, it aligns with Tourism North East's 7 Peaks Trail Running initiatives. It occurs at a time of year of seasonally low visitation. Funding is being sought for marketing and management expenses.

Christmas in July Winter Lights Show

Date: Each evening during the month of July

A free event of impressive light art displays to appear on village buildings, including the DP Hotel and Castran Corner in the centre of town. Additionally, Christmas decorations and lights + tree display to dress the town in the theme. . A similar event that has been running for a number of years in Sovereign Hill (Winter Wonderlights) and a large scale event in Sydney (Vivid) have been hugely successful as tourism drivers. Due to the costs involved, it is recommended that this event grow over a number of years, with the first investment of \$12,000 designed to cover the cost of the light art, with existing Christmas decorations utilized.

Dinner Plain Sled Dog Challenge

Date: Saturday 12 – Sunday 13 August

This is a free event for spectators comprising two days of sled dog racing. This will be the 24th year this event has been running. It is a mainstay of the Dinner Plain events calendar and a tourist attraction for the post school holiday period in August. Full funding is recommended in 2016/17 as this event continues to adjust to a lower funding amount from previous years.

Snow Season Opening Weekend

Date: Sunday 11 June

A free event, the annual opening weekend fireworks are a popular attraction and create a celebratory atmosphere in the village to mark the start of the season. This year, only the cost of the fireworks themselves is being requested, with other activities to be funded by businesses.

Easter Festival

Date: Friday 14 – Monday 17 April

A free event, the Easter Festival is a mainstay of the Dinner Plain events calendar and a major driver of visitation during April. The funding covers activities such as the popular Easter Egg Hunt, jumping castle and petting zoo.



Australia Day

Date: Thursday 26 January

With the Australia Day public holiday falling just within the Victorian school holiday period, there is potential to attract more tourist traffic to the village at this time of year. Combined with entertainment at other venues in Dinner Plain, an open air cinema evening showcasing Australian short films would utilize the ski slope area in summer and add variety to the existing events calendar. The requested funds would be used to book an outdoor cinema screen, pay film royalties and book other entertainment.

New Year's Eve Fireworks

Date: Saturday 31 December

A free event, including family fireworks at 9pm and a midnight fireworks display, will add value to the visitor experience over the New Year period. This event will run in conjunction with activities run by Dinner Plain venues, such as bands and dinners. Dinner Plain has roughly 50% occupancy at this time of year, enough to warrant putting on fireworks with the aim of boosting occupancy in the coming years by attracting more people to come and celebrate New Year's Eve in the alps.

MND Mountain Challenge

Date: Friday 6 August

This event was not approved for funding. While this charity lunch, AFL and netball game in Omeo to raise funds for MND research is a nice community event, it does not attract visitation to Dinner Plain. It is recommended the organiser explore alternative fundraising methods for this particular event, such as crowd funding, a pre-event raffle, East Gippsland Shire Council funding, or increased ticket prices.

POLICY IMPLICATIONS

Economic Development Strategy - Objective 5 Tourism Development

To offer compelling, high quality tourism experiences that reflect the distinctive attributes of the alpine region, exceeding visitor expectations and demanding attention.

Arts and Culture Strategic Plan - 5.5 Events

Creative, efficient, effective and strategic support and culture and arts programs, events and facilities.

Alpine Shire Council Plan - Theme 2: Community - 2.2

Promote opportunity for a vibrant community.

FINANCIAL AND RESOURCE IMPLICATIONS

The recommended funding for events in Dinner Plain are within the approved budget of \$80,000 for the 2016/17 financial year leaving a balance of \$20,000 that could be utilised to support the ice skating pop up event.



Should any events, including the ice skating pop up event not occur the funds not spent will be returned to the Dinner Plain reserve.

CONSULTATION

The events and recommended funding amounts were submitted in a report to the Dinner Plain Advisory Committee (DPAC) for comment. DPAC has endorsed the requests put forward in this report.

CONCLUSION

Events are a key driver of visitation to Dinner Plain and investment in event activities has benefits business and the broader community.

The amounts approved for events in Dinner Plain in 2016/17 have been endorsed by DPAC and are deemed sufficient in ensuring these events take place in 2016/17.

DECLARATION OF CONFLICT OF INTEREST

Under Section 80C of the *Local Government Act 1989*, the following officers declare that they have no interests to disclose in providing this report.

- Marketing and Events Officer, Dinner Plain
- Director Sustainable Development
- Manager Economic and Community Development

ATTACHMENT(S)

- Nil



8.4.5 Alpine Shire Municipal Early Years Plan

File Number: 1050.09

INTRODUCTION

The Alpine Shire Municipal Early Years Plan (MEYP) is an important guiding document which outlines the work Council and partner agencies are doing to support and facilitate the health and wellbeing of families and young children in the Alpine Shire.

The current MEYP was developed in 2012, in accordance with the requirements of the Department of Education and Early Childhood Development and the Municipal Association of Victoria to provide a detailed roadmap and action plan to achieve the best possible start for children.

The current plan is due to expire at the end of the 2016 calendar year. The plan has been recently reviewed and updated to reflect achievements reached, define activity to be undertaken and extend the plan to the end of 2017.

This will provide Council and partner agencies the opportunity to assess 2016 census data, effectively engage with the community and other organisations to develop a new and updated plan for 2018 – 2022. The future plan will consider Councils new Municipal Health and Wellbeing Plan which is also required to be developed in 2017.

Cr Vonarx

Cr Pearce

That

- 1. Council endorse the reviewed and updated Municipal Early Years Plan, extending the plan to the end of 2017 and updated actions.*

Carried

BACKGROUND

The current MEYP was developed in 2012 and will expire at the end of the 2016. The action plan from the current plan was reviewed in 2015 and has been updated to reflect the achievements to date.

Goals of the plan are:

- To set the best possible foundation for children and their families
- To connect services to provide the best childhood development outcomes
- To equip and support parents and carers in their child's development
- To support children and families with additional needs
- To encourage safe and healthy practices for our children

In mid-2016 the MEYP was updated to carry the achievements and remaining goals forward to the end of 2017. This update has been undertaken in consultation with Alpine Children's Services and Council's Maternal and Child Health service.



ISSUES

The review of the MEYP has incorporated:

Extension date of the current plan to the end of the 2017 calendar year;

Changes to responsibilities, at state level where departments referenced have changed;

Content moved within document to provide flow to the document and bring "actions" to the forefront;

Updated the Action Plan: (1) identifying already "completed" actions, and (2) identifying actions requiring completion, and (3) extending "ongoing" actions to the end of 2017.

Context to the plan is unchanged.

POLICY IMPLICATIONS

Alpine Shire Council Plan:

Strategic objective 3.3: To ensure appropriate services and programs for early years, youth and families;

Strategy 3.3.1: Best possible start for children and families within the Alpine Shire.

Alpine Liveability Plan:

Council is committed to exercising leadership in the provision and support of early years' needs.

FINANCIAL AND RESOURCE IMPLICATIONS

Not applicable

CONSULTATION

The Municipal Early Years Plan was initially developed through consultation with community, stakeholders and partners, including Alpine Children's Services. This review has been completed in consultation with Alpine Children's Services and the Maternal and Child Health Nurse Coordinator.

CONCLUSION

The Municipal Early Years Plan is an essential document which guides the way Council and its partners carry out programs, make decisions and build infrastructure aimed at providing the Shire's youngest residents with the best possible start in life.

**DECLARATION OF CONFLICT OF INTEREST**

Under Section 80C of the Local Government Act 1989, officers providing advice to Council must disclose any interests, including the type of interest. The following officers declare that they have no interests to disclose in providing this report:

- Director Sustainable Development;
- Manager Economic and Community Development

ATTACHMENT(S)

8.4.5 Attachment 1 – Updated Municipal Early Years Plan 2012 - 2018



9 ASSEMBLY OF COUNCILLORS

INTRODUCTION

Section 80A of the *Local Government Act 1989* requires a written record of Assemblies of Councillors to be reported at an ordinary meeting of the Council and to be incorporated in the minutes of the Council meeting.

Cr Pearce

Cr Vonarx

That the summary of the Assemblies of Councillor for August 2016 be received.

Carried

BACKGROUND

The written records of the assemblies held during the previous month are summarised below. Detailed assembly records can be found in Attachment 9.0 to this report.

Date	Meeting
2 August	Briefing Session
16 August	Joint meeting between Alpine and Towong Shire Councils
23 August	Briefing Session

ATTACHMENT(S)

- 9.0 Assemblies of Councillors – August 2016



10 PRESENTATION OF REPORTS BY DELEGATES

INTRODUCTION

Councillor representation on various committees occurs where Council has an interest. Delegate reports contain information about meetings attended, and the outcomes of those meetings that affect Council.

Cr Farrell

Cr Pearce

That the summary of the presentation of reports by delegates for June and August 2016 be received.

Carried

BACKGROUND

The written records of the delegates reports held during the previous month are summarised below. Detailed delegates reports can be found in Attachment 10.0 to this report.

Date	Meeting	Councillor
22 June	Alpine Alliance Advisory Committee	Cr Kate Farrell
10 August	Community Resilience Committee	Cr Ron Janas
12 August	Rural Councils Victoria	Cr Jan Vonarx

ATTACHMENT(S)

- 10.0 Presentation of Reports by Delegates – June and August 2016.



11 GENERAL BUSINESS

Refer to alpine shire council's website www.alpineshire.vic.gov.au; for its YouTube live-stream recording.

12 MOTIONS FOR WHICH NOTICE HAS PREVIOUSLY BEEN GIVEN

Nil

13 RECEPTION AND READING OF PETITIONS

Council has received a petition for the name of Mount Cope on Bogong High Plains Road to be changed back to its original name of Mount Jack:

Sometime during the early 1900's the name of Mt Jack on Bogong High Plains was changed to Mt Cope. Jack Wells was the original discoverer of the peak back in 1851, whereas Thomas Cope, a Beechworth judge during the 1860's, had almost certainly not been near the High Plain. The re-naming was never officially recorded and the local community was never consulted in any way.

A report will be tabled at the next Ordinary Council meeting in October 2016.

Cr Vonarx moved a motion to deal with the petition at the meeting.

Cr Vonarx

Cr Pearce

That a letter of support be sent in support of the name change from Mount Cope back to Mount Jack.

Carried



14 DOCUMENTS FOR SEALING

Cr Vonarx

Cr Farrell

That the following documents be signed and sealed.

- 1. Local Law No.1 Council Administration (2016)*
- 2. Contract 1603201 - for the provision of labour hire and accompanying technology solutions*
- 3. Contract 16022 - for the redevelopment of the Mount Beauty Library to Premier Building & Constructions Pty Ltd.*

Carried

There being no further business the Chairperson declared the meeting closed at 9.10p.m.

.....
Chairperson



ALPINE
SHIRE COUNCIL

Annual Report

2015/16

About this annual report

Welcome to the Alpine Shire Council Annual Report 2015/16. This report provides an account of Council's performance against the Alpine Shire Council Plan 2013-2017, and the Annual Action Plan and Budget for 2015/16.

Through this report we aim to provide our community with a greater understanding of some of the achievements, highlights, and opportunities created for our residents and ratepayers throughout the year. In balance with this, we also discuss some of the disappointments and challenges that we've faced along the way.

Performance is measured against the five themes in the Council Plan:

Inspired Community Leadership: *Council values effective community advocacy and partnerships*

Enhancing the Environment and Liveability: *An environment managed for now and the future*

Strengthening the Community: *A community supported to be healthy, active and involved*

Prosperous Economy, Employment and Investment: *A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment*

Performance Focused Organisation: *A customer focused, equitable and sustainable service to the community*

Council continues to produce this report in electronic form only, which can be downloaded from Council's website www.alpineshire.vic.gov.au, or alternatively on CD available at any of Council's customer service centres in the year following its release. Hard copies are available upon request, for those in the community without access to a computer. This practice of electronic production began with the 2006/07 report, and continues to be both a financial and environmental saving in the production of this important report.

Council has utilised guidance from the Victorian Department of Treasury and Finance: *Standard requirements for the design and print of annual reports (FRD 30B)*. While this standard applies to Victorian government rather than local government, it specifies that government entities are expected to obtain value for money in procuring services to design and print publications and that excessive or unnecessarily expensive design and print is not appropriate for annual reports. This aligns with cost saving measures initiated by Council.

Council Vision

“Providing outstanding opportunities for its residents through sustainable growth in balance with the natural environment.”

Council Values

Council’s values are the operating principles that guide councillor and employee conduct and the relationships between them, as well as the relationship of the organisation with its community, customers, partners and stakeholders.

The values were developed following workshops with both councillors and staff – the set of six core values recognise who we are – ALPINE. The values are:

Accountable	We are accountable and responsible for our decisions and actions, and the impacts of these on our community and the organisation
Leadership	We demonstrate leadership by being informed, applying innovative thinking and solutions and making fair and timely decisions in the best interest of our community and the organisation for now and the future.
Productive	We are productive by focusing on delivering efficient and high quality services and projects that respond to the needs and priorities of our community and the organisation.
Integrity	We have integrity by being committed, truthful and transparent in our decision making and our interactions with our community and the organisation.
Nurture	We nurture the relationships, contributions and strengths of our community and the individuals of the organisation.
Engaged	We are engaged with our community, and within the organisation, to build strong and effective relationships and inform our choices.

The values have also been embedded in the Councillor Code of Conduct, and the Employee Code of Conduct. These documents assist in reinforcing the importance of the values across the organisation.

Year in Review

Alpine Shire Council (Council) has achieved some great results over the past 12 months. These have included:

Theme 1: Inspired Community Leadership

- Council paid out its borrowings (\$1 million) in July 2015, due to having strong cash reserves.
- Commencement of transition of library services from High Country Library Corporation to Council – due to commence on 1 August 2016.
- Commencement of live-streaming of Council meetings, to improve accessibility and transparency of decision making.
- Achieving Council's lowest rate rise in history when adopting the 2016/17 budget, at the same time as planning for delivery of the largest capital works program in Council's history.
- Completion of more than \$7.4 million in capital works.

Theme 2: Enhancing the Environment and Liveability

- Review of Myrtleford Landfill resulted in approval for the conversion of the facility to a best practice waste transfer station, with no adverse impact on services provided to the public.
- Adoption of the Alpine Better Places design project at the March 2016 council meeting. This project provided detailed concept designs for almost \$8 million worth of streetscape improvements to the town centres of Bright, Porepunkah and Myrtleford.

Theme 3: Strengthening the Community

- Council worked closely with the Victorian Department of Health and Human Services, which ultimately resulted in Council relinquishing operation of the HACC service at the completion of the 2015/16 year, and coordinating a transition to Alpine Health as the new provider of the service from 1 July 2016.
- Early Bird Season Passes for outdoor pools were offered for \$99 (a discount of \$200 on the previous year), resulting in a 13% increase in visitation to outdoor pools during the year.

Theme 4: Prosperous Economy, Employment and Investment

- Successful event attraction, including the Spartan Australia event due to come to the Shire in November 2016.
- Celebration of the 30th anniversary of the Dinner Plain alpine village, and success in snow-making at the Gravity Park.

Theme 5: Performance Focused Organisation

- Innovation remained a key driver for Council during 2015/16, utilising novel software solutions to improve efficiencies and effectiveness across the organisation.

Challenges in 2015/16

Council has also faced challenges over the past 12 months. These have included:

- Higher than average rainfall during 2015/16 caused challenges for completion of some capital works as well as maintenance of other assets.
- Dealing with two severe storm events across the Shire impacting on community and Council assets.
- The transition of the HACC service to another provider, while ensuring that local employment was maintained, and securing redundancy packages for relevant Council staff.
- Managing continuing financial pressures felt by all Victorian councils.

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CEO Message

Council continued to implement the savings and transformations initiated in the previous year, dedicated to ensuring the organisation's sustainability into the future.

Fiscal restraint

At the time of adopting the 2015/16 budget in June 2015, Council announced a rate rise of 2.9%, which at the time was the lowest rate rise in Council's history. This was prior to the Victorian Government implementing rates capping across all Councils, and testament to the savings in operational expenditure that Council initiated in the 2014/15 year.

A key result of Council's fiscal restraint and progress in the development of our Long Term Financial Plan (LTFP) was evident in our ability to pay out \$1 million in loans in 2015/16. This was due to strong cash reserves, and Council has not forecast any borrowings within the next ten years of the LTFP.

Passing it on

Council's commitment to fiscal responsibility also meant that we were able to offer reduced fees to access Council's pools, where an early bird family season's pass to our seasonal swimming pools was just \$99 – a saving of \$200 on the previous year's fees. A great result for families and the community, and resulting in a 13% increase in visitation to outdoor pools during 2015/16.

As further commitment to our community and to encourage responsible waste management and recycling, we introduced a 360 litre recycle bin, for the same price as the current 240 litre bin. Residents were keen to take up the offer of these larger bins.

Workforce

We have consolidated our workforce during 2015/16, and have set about delivering the services and projects that we promised.

Our focus is on increasing productivity through the simplification and automation of processes and replacing unnecessarily complex systems with more modern, nimble solutions. Key examples of this have been seen throughout the organisation in 2015/16, with in-house developed apps to provide solutions for asset inspections, the rollout of Council's own project management software (Spark), as well the introduction of other best practice software solutions designed to improve our efficiencies, reporting, and customer response times.

Capital works

This year has been an exciting year for delivery of capital works, with the implementation of the \$1.47 million Mount Beauty Progressing Place project improving infrastructure and facilities for both the town centre and foreshore. Other key works delivered during the year included the replacement of the Freeburgh Bridge, and upgrades to the Lake View Childcare Centre in Mount Beauty.

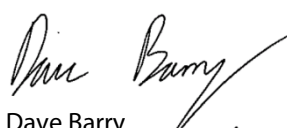
Adoption of the Alpine Better Places designs for improvements to town centres in Bright, Porepunkah and Myrtleford was also a key achievement, with delivery of many of these improvements destined for completion in 2016/17.

Looking forward

As part of the continuation of Council's improvements and efficiencies gained, Council's 2016/17 budget adopted in June 2016 saw Council limit the rate rise to 2.3% - which again has been the lowest rate rise in Council's history, the lowest rate in the dollar rise in the State, and less than the imposed rate cap of 2.5% set by the Victorian Government.

The organisation's fiscal restraint has resulted in our ability to commit to delivering one of Council's largest ever capital works programs in 2016/17. The use of Council's Project Pipeline and Spark software has been an essential part of project prioritisation, scoping, and ensuring that projects are ready for inclusion in the budget. This will also ensure that we have a high rate of delivery of projects funded each year. I look forward to seeing these works delivered for the community.

In closing, I would like to thank Council staff for their dedication to ensuring that we continue to provide the best outcomes for our community, and ensuring a sustainable future for the organisation.



Dave Barry
Chief Executive Officer

Financial Summary

Financial Overview 2015/16

Council ended the 2015/16 year with a deficit of \$198,000. This is an excellent result for Council due to a number of unexpected items affecting the end result. This included:

- Receiving only half of the allocation of the Financial Assistance Grants due to the Victorian Grants Commission paying \$1.7 million in advance in June 2015, last financial year. If the Financial Assistance Grants full amount had been received in the current year Council would have derived a surplus of \$1.5 million.
- Council incurred redundancy costs of \$562,000 for its Home and Community Care (HACC) staff, as the HACC service will be transitioned to another provider by the Department of Health and Human Services from 1 July 2016 (see page 30 for further details). Without this unexpected expense Council's employee costs would have been \$458,000 favourable to budget.
- Unbudgeted landfill rehabilitation expense of \$1 million attributed to an increase in future remediation costs for the Myrtleford Landfill. The Myrtleford landfill (not the transfer station) will be closed and waste will be diverted to alternate, more efficient landfills. This decision was made by Council due to the low volume and high costs associated with maintaining the landfill. Detailed design work undertaken has provided more accurate costings associated with the future costs to remediate the site.
- Council had a capital works budget of \$8.7 million of which \$7.4 million was spent. Within the projects there was \$1.6 million identified as operating expenditure and this has been expensed to materials and services rather than capitalised. The Capital Works Statement thus shows \$5.8 million in capitalised assets.

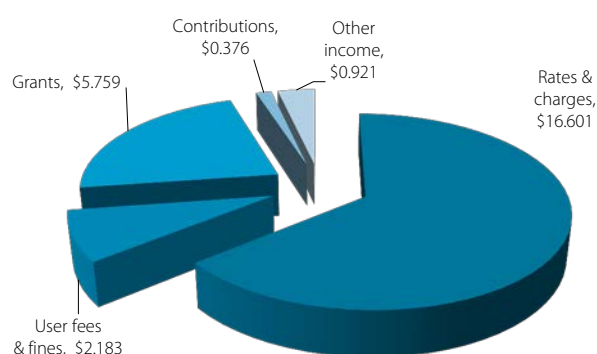


Figure 1: Alpine Shire Council revenue 2015/16 (\$millions)

Figure 1 demonstrates Council's major income sources. Rates and charges are Council's most significant source of revenue. Whilst grants are the second largest income source, this was significantly less than previous years due to \$1.7 million of Financial Assistance Grants being received in advance in 2014/15. This is also highlighted in figure 2.

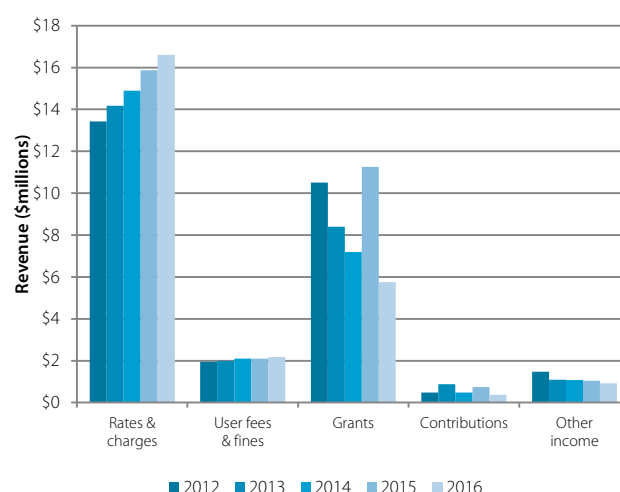


Figure 2: Alpine Shire Council revenue 2011/12 to 2015/16 (\$millions)

Figure 2 highlights Council's revenue over a 5 year period. Rates and charges have consistent small growth. Grants fluctuate depending on the timing of payments, whilst user fees and fines, contributions and other income remain consistent with prior years.

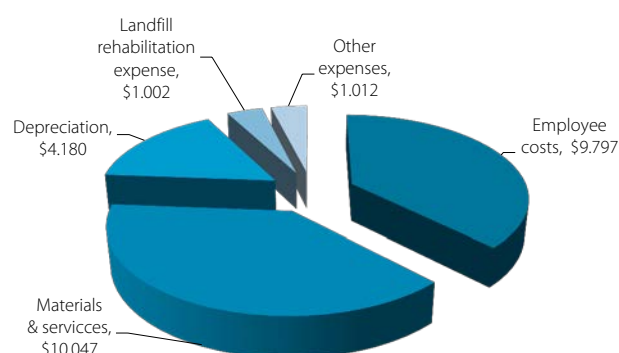


Figure 3: Alpine Shire Council expenditure 2015/16 (\$millions)

Figure 3 demonstrates that materials and services and employee costs represent Council's major operating expenditure. Both expense categories would have been significantly less without unexpected events occurring during the year.

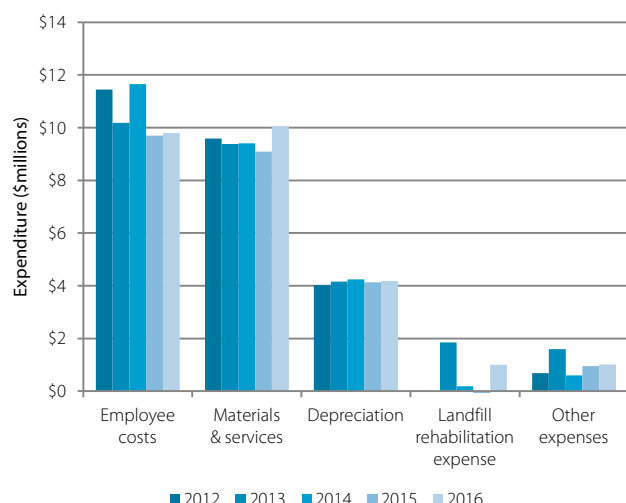


Figure 4: Alpine Shire Council expenditure 2011/12 to 2015/16 (\$millions)

Figure 4 highlights Council's expenditure over the last 5 years. This highlights reductions in employee costs and relatively consistent expenditure in other categories, excluding materials and services. Materials and services are higher this year due to \$1.6 million of asset development projects not being eligible for capitalisation. If the \$1.6 million in asset development projects were eligible for capitalisation, materials and services would have been \$1.1 million favourable to budget and \$600,000 less than last year.

Cash balance

Council maintains a strong cash position at 30 June 2016. A highlight to note is Council paid out all its loans

(\$1 million) in July 2015 and has not forecast in the Long Term Financial Plan (LTFP) to borrow within the next 10 years. This highlights Council's embedded fiscal controls and a robust LTFP to ensure the strong cash position is maintained.

Looking forward

Council continues to refine and adopt a Long Term Financial Plan (LTFP) as part of the annual budget each year. The LTFP is a critical plan to Council to ensure that it makes fiscally responsible decisions. The LTFP delivers long term sustainability utilising conservative assumptions such as:

- rate rises below or in line with the rate cap;
- zero increase in equivalent full time employees; and
- 1.5% increase in employee wages.

The LTFP is used to inform decisions regarding grant applications, major projects and operational performance.

Funding

Council acknowledges the support of both the Victorian Government and the Australian Government for the provision of funding, without which, many of the projects and services that Council delivers would not be possible. In particular, the Australian Government's Financial Assistance Grants are untied and are essential for the continued delivery of Council's services and infrastructure.

Capital Works Summary - 2015/16

Highlights 2015/16

Council's 2015/16 capital works budget was \$8.7 million at the start of the financial year, which included plant, waste and Dinner Plain capital projects.

The key capital works delivered in 2015/16 were:

Mount Beauty Progressing Place

The Mount Beauty Progressing Place project delivered improved infrastructure and facilities for both the town centre and the foreshore (Mount Beauty Recreation Reserve Lakeside Precinct).

Improvements to the foreshore included:

- Upgraded park facilities including sheltered picnic / BBQ area, tables, seating, new drinking fountain and landscaping;
- New public toilets;
- Upgraded playground incorporating new sculptural slide and climbing structure ('Eddy'), spinners, sensory planting and sand play equipment, pathways and seating.
- Car park, paths and access improvements.

Improvements to the town centre included:

- Enhanced sense of arrival to the town centre through upgraded landscape treatments and signage;
- Upgraded street furniture and additional seating and bicycle rails;
- Reconfigured car parking, traffic calming and improved pedestrian crossing points and pathways; and
- Enhanced open space treatments in Memorial Park and the Park Street Reserve (Community Centre Open Space) including the sculptural play 'eagle'.

The project was made possible through the financial support of:

Victorian Government

Regional Development Victoria – Putting Locals First Program	\$ 500,000
Local Government Infrastructure Program	\$ 90,793

Australian Government

Roads to Recovery	\$ 515,000
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Other funding sources

Municipal Association of Victoria – Shade Funding	\$ 72,500
Alpine Health	\$ 15,000
Mount Beauty Calisthenics	\$ 2,290

In-kind contributions

Mount Beauty Men's Shed	\$ 5,000
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Alpine Shire Council	\$ 269,417
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Total	\$ 1,470,000
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Freeburgh Bridge replacement

The replacement of the old Freeburgh Bridge was completed in April 2016. The replacement marks the first new vehicle bridge constructed in the Shire in several decades. The new structure is a single span bridge that has removed the requirement for a centre pier, reducing the ability of debris to cause damage and build up during high river flows. The structure will also have significantly lower ongoing maintenance costs.

The competitive pricing received during the tender process allowed a shared path lane to be incorporated into the design and also allowed the bridge to be constructed without a load limit. With the river crossing in place the future extension of the shared path from Germantown to Freeburgh becomes more economically viable.

The project was made possible through the financial support of:

Australian Government

Roads to Recovery	\$ 281,607
Total	\$ 281,607

Mount Beauty Netball Court

Construction of a new netball court in Mount Beauty was completed in June 2016, including a new court surface, a shelter, and the installation of fencing around part of the court.

The project was made possible through the financial support of:

Victorian Government

Sport and Recreation Victoria	\$ 70,000
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Other funding sources

Dederang Mount Beauty Football Netball Club	\$ 10,000
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In-kind contributions

Dederang Mount Beauty Football Netball Club	\$ 10,000
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Alpine Shire Council	\$ 40,000
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Total	\$ 130,000
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Lake View Childcare Centre, Mount Beauty

The Mount Beauty Lake View Childcare Centre was completed in two stages. Stage 1 of the project included modifications and extensions to the existing building to accommodate the growing number of children needing to access the service. Stage 2 of the project included the addition of a new Flexible Learning and Community Space.

The project was made possible through the financial support of:

Victorian Government

Department of Education and Early Childhood Development	\$ 350,000
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Other funding sources

Alpine Children's Services	\$ 4,000
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In-kind contributions

Alpine Children's Services	\$ 5,500
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LVCC Family & Friends Group	\$ 20,000
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Mount Beauty Playgroup	\$ 1,000
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Mount Beauty Playgroup (via Community Grant)	\$ 3,500
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Alpine Shire Council*	\$ 399,000
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Total	\$ 783,000
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** Stage two was funded by Council through reinvestment of the revenue from the sale of the Mount Beauty Girl Guides Hall as well as a contribution from Alpine Children's Services.*

Additional capital works delivered are included in Theme 3 on page 31.

A number of planned 2015/16 projects remained incomplete at the end of the financial year, where the outstanding scope and associated budget will be carried forward for completion in 2016/17. These projects included the Harris Lane Bridge and some footpath works.

Our Council

Alpine Shire district profile



The Alpine Shire is situated in north-east Victoria, approximately 300km from the Victorian state capital, Melbourne, and 70km south of Albury-Wodonga. The area of the Alpine Shire is 4,790 square kilometres¹ of which 92% is public land. This includes the whole of the Mount Buffalo National Park and large tracts of the Alpine National Park. The remaining 8% of land consists of towns, villages and farming land in the major river valleys: Ovens, Buffalo, Buckland and Kiewa valleys.

The alpine resorts of Falls Creek and Mount Hotham are geographically located within the Alpine Shire, but are not part of the Alpine Shire municipal district.

The Shire extends from mountain ranges down to the valley floor, where residents choose to live predominantly around the three main towns of Bright, Myrtleford and Mount Beauty – each of which proudly respects their own strong heritage and individuality. Other members of the populace live in the smaller towns, villages and surrounding farming communities that are spread throughout the Shire. The Alpine Shire surrounds two of Victoria's major ski resorts: Falls Creek and Mount Hotham, and includes the smaller snowfield attractions of Dinner Plain and Mount Buffalo.

The Alpine Shire has a rich history from ancient aboriginal settlement, mining and prospecting in the gold rush era, to post-war immigration. Today the region offers a diverse lifestyle with a mix of culture, history and experience. The region is a well-known destination for tourists, with festivals, markets, exhibitions, sporting and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants and wineries.

In the ABS 2011 Census the main industries identified were accommodation; school education; cafes, restaurants and take-away food services; and supermarket and grocery stores. Tourism, timber, forestry, agriculture, manufacturing and construction are all represented in the shire.

The population of the Alpine Shire is estimated to be 11,858² a number which significantly increases with the seasonal influx of tourists. Population demographics show a lower population of 20-39 year olds, but a much higher population of persons aged 55 and over than the Victorian averages.

¹ This area does not include the resorts of Hotham Heights and Falls Creek which have a combined total of 44 square kilometres

² Estimated Residential Population, Local Government Areas, Victoria (released 31 March 2016) – Australian Bureau of Statistics (catalogue 3218.0)

Council offices

Council's head office is located in Bright, with depot operations centres located in Bright, Mount Beauty and Myrtleford.

In addition to the head office in Bright, Customer Service Centres are located in Mount Beauty and Myrtleford, allowing the community to make payments and access key Council information without having to travel to Bright.

Bright Council Office

Great Alpine Road
(PO Box 139)
Bright VIC 3741
Phone: 03 5755 0555
Fax: 03 5755 1811
Email: info@alpineshire.vic.gov.au
Internet: www.alpineshire.vic.gov.au
Facebook: www.facebook.com/alpineshirecouncil

Mount Beauty Customer Service Centre

Lakeside Avenue
Mount Beauty VIC 3699
Phone: 03 5754 4542

Myrtleford Customer Service Centre

Cnr Standish Street and O'Donnell Avenue
Myrtleford VIC 3737
Phone: 03 5752 2038

Alpine Shire Councillors

Elected October 2012

Cr Ron Janas (Mayor)	First elected:	October 2012
	Deputy Mayor:	November 2014 – November 2015
	Mayor:	November 2015 – current

Cr Tony Keeble (Deputy Mayor)	First Elected:	November 2008
	Re-elected:	October 2012
	Deputy Mayor:	November 2015 – current

Cr Kate Farrell	First elected:	October 2012
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Cr John Forsyth	First elected:	October 2012
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Cr Daryl Pearce	First Elected:	November 2005
	Re-elected:	November 2008 October 2012
	Mayor:	December 2006 – December 2007
	Deputy Mayor:	December 2007 – December 2008 December 2009 – December 2011

Cr Peter Roper	First elected:	November 2008
	Re-elected:	October 2012
	Mayor:	December 2011 – November 2014

Cr Jan Vonarx	First Elected:	November 2005
	Re-elected:	November 2008 October 2012
	Mayor:	December 2005 – December 2006 November 2014 – November 2015
	Deputy Mayor:	December 2006 – December 2007 December 2008 – December 2009 December 2011 – November 2014

More information regarding Councillors can be found on page 41.

The Organisation

The Alpine Shire Council operates under a corporate management structure, with the Chief Executive Officer leading Directors, Managers and staff.

The organisation is made up of three directorates: Corporate Performance; Assets; and Sustainable Development. Each Director reports to the CEO and is responsible for the delivery of services and projects within program areas.

The organisation underwent a restructure during 2014/15, reducing eight management areas to seven, and realigning services to new management areas. This structure remained during 2015/16. Council will continue to refine the organisational structure in 2016/17.

Within each directorate, department Managers are responsible for: Alpine@Home (Council's alliance with Alpine Health); Asset Development; Asset Maintenance; Corporate Services; Economic and Community Development; Facilities; and Planning and Amenities.

A small Executive Services team reports directly to the CEO.

Organisational structure

Dave Barry

CHIEF EXECUTIVE OFFICER

Functions reporting directly to CEO: Executive Assistance, Human Resources, Communications and Governance

Senior Officers reporting directly to the Chief Executive Officer

Trevor Britten

DIRECTOR CORPORATE PERFORMANCE

- Corporate services
 - Finance
 - Information technology
 - Rates and property
 - Risk management and OH&S
 - Customer service
- Facilities management
 - Visitor Information Centres and Holiday Parks
 - Recreation and leisure
 - Waste management
 - Libraries
- Alpine@Home alliance
 - Home and community care services (aged care services)
 - Maternal and child health (child and family services)

Heather Green

DIRECTOR SUSTAINABLE DEVELOPMENT

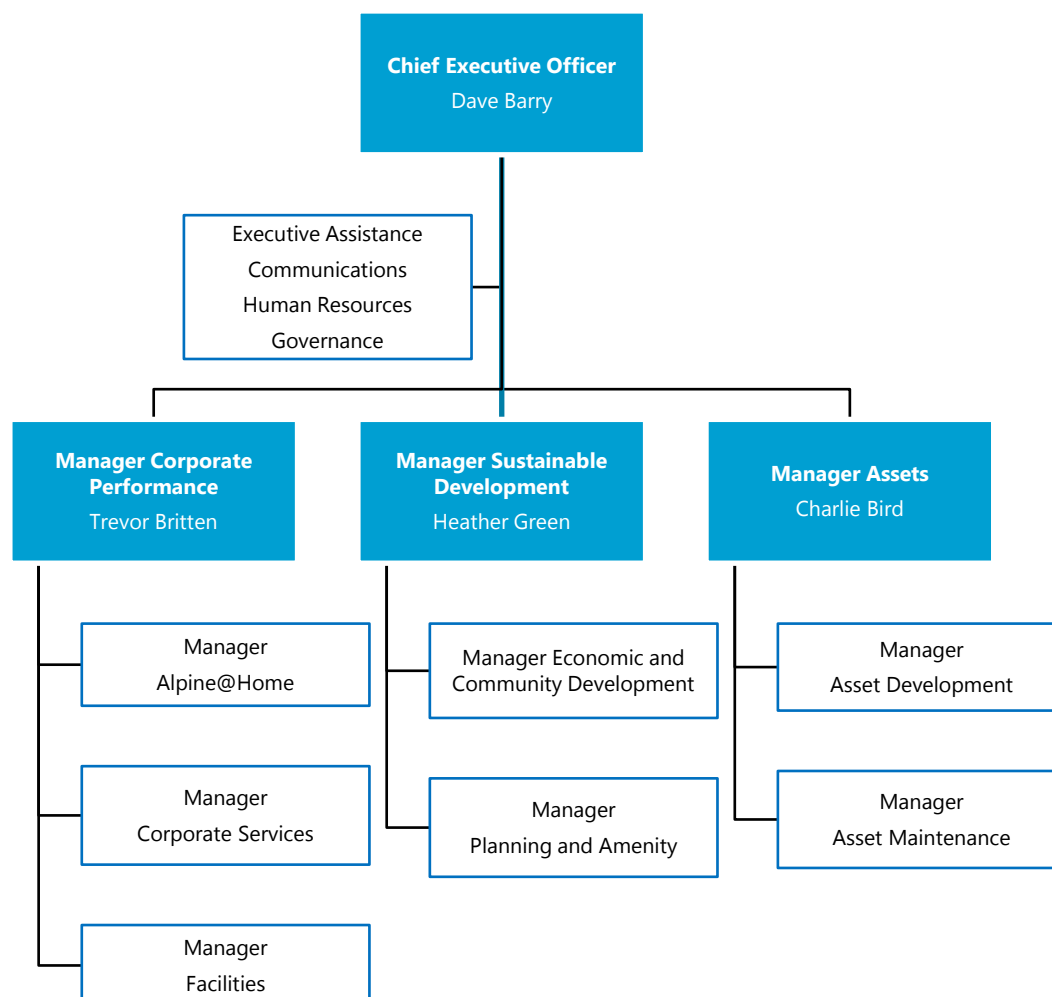
- Planning and Amenities
 - Statutory planning
 - Strategic planning
 - Building services
 - Environmental health
 - Local laws
- Economic and Community Development
 - Dinner Plain
 - Tourism and event development
 - Community services including
 - Wellbeing
 - Positive ageing
 - Youth
 - Resilience

Charlie Bird

DIRECTOR ASSETS

- Asset Development
 - Project prioritisation
 - Securing funding
 - Project design
 - Capital works delivery
- Asset Maintenance
 - Engineering and asset management
 - Civil works
 - Environment
 - Open spaces
 - Emergency management

The organisational structure at 30 June 2016 was:



Council staff

The workforce

The Chief Executive Officer (CEO) is employed directly by Council to manage Council's business. Employees act under general direction of the senior management team, with terms and conditions of employment governed by an enterprise agreement.

Personnel are employed on a permanent basis (full time or part time) where the work is continuous and ongoing, on a temporary basis where there is a finite ending to the work, or on a casual basis where the work is of a relieving or intermittent nature.

Employee numbers are best measured by the number of Full Time Equivalent (FTE). At 30 June 2016 there were 113 FTE positions across the whole organisation. There were a total of 165 individual employees working in permanent

full time and part time positions, and casuals. Temporary staff are not included in these figures.

Recruitment and selection

Council undertook 36 recruitment campaigns during 2015/16, including casual, temporary and permanent staff. Turnover occurs for a range of reasons, which includes staff applying for and gaining an internal opportunity at Council, staff taking on a role in a new organisation, and also the cessation of seasonal / temporary appointments (for example seasonal outdoor positions, parental leave backfill and completion of funded projects). Despite a large number of recruitment campaigns, Council's workforce turnover for permanent staff (not including casual and temporary staff) was 6%.

Training and development

Council is committed to supporting staff to learn, grow and embrace new opportunities. As a small council, continuous improvement is fundamental to the success of our organisation. The training and development of employees is integral to the application and maintenance of this process.

During the year, 45 separate learning opportunities were attended by a total of 260 staff. These sessions include individual training, as well as group training. Council encourages staff to share their knowledge by offering 'learn from within' lunchtime sessions, where colleagues provide a half hour information session on recent learning, workshops, conferences, or simply updating colleagues on relevant current council projects or news. Sessions have been well attended, with over 250 attendees at the 17 sessions on offer.

New employee inductions are held as group with existing staff providing the training. It is another example of council using the knowledge it has in-house to extend to other staff. Inductions cover Health and Safety, Records, Information Technology, Governance, Human Resources including the Employee Code of Conduct, Customer Service and Corporate Systems and Processes.

Equal Employment Opportunity

Equal Employment Opportunity (EEO) is designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

EEO is a high priority at Council, and is incorporated into all Council activities. Equal Opportunity principles play an integral role in Council's recruitment and selection processes, general employment issues, induction and training, OHS, grievance processes, and dispute resolution.

Council's Equal Employment Opportunity policy ensures that EEO remains a high consideration. Council's Employee Code of Conduct further endorses Equal Opportunity, and expects all employees to refrain from engaging in any conduct which could be perceived as discrimination, harassment or bullying.

All new staff are made aware of Council's requirements regarding Equal Opportunity, at mandatory induction training sessions.

Employee Code of Conduct

Council's Employee Code of Conduct provides an outline of the principles, values, standards and rules of behaviour that guide the decisions, procedures and systems that we subscribe to. The code applies to all employees of the Alpine Shire Council, and is extended to cover contractors, staff on exchange, volunteers, work experience and graduate placements. The document supports the principle that customer service is the fundamental purpose of Council, and all staff must all commit to providing competent, dependable and efficient services.

Work experience students

As part of supporting our youth in the community, Council provides opportunities for students to undertake their work experience with Council. Council works closely with local schools to offer work experience in a variety of roles across the organisation.

Staff Consultative Committee

Council's Staff Consultative Committee met every two months to discuss a range of matters, in line with the committee's charter, that included:

- Facilitating the implementation and monitoring of the Alpine Shire Council Enterprise Agreement 2013-2016;
- Consulting and contributing to the implementation of the enterprise agreement;
- Acting as a forum for consultation and negotiation on other workplace issues from time to time; and
- Consulting on policy changes affecting conditions of employment.

Agenda items are requested from all employees one month prior to the meeting to allow all staff to raise any queries.

All minutes are sent out via an all staff email and are placed on Council's intranet for employees to access.

Employee Health and Safety

Health and Safety Committee and Representation

Council's Health and Safety Committee, established in accordance with the *Occupational Health and Safety Act 2004*, comprises representatives of designated work groups and management. The Health, Safety and Risk Officer facilitates the meetings.

Following a review of employee representation late in the previous year, employees elected four new health and safety representatives (HSRs) to join two existing HSRs in the final year of their term. The committee met quarterly throughout the year with encouraging attendance and participation by HSRs which was an improvement on previous years.

Health and Safety Audit and Culture Survey

A major project completed during the year was the Health and Safety Audit and Culture Survey. The audit comprised a self-assessment against established criteria and the culture survey was externally and independently managed and focussed on people rather than processes.

This project resulted in the development and approval of Council's Health and Safety Plan that now supports the Health and Safety Policy.

Health and Safety Training

Council reinforced its commitment to health and safety training with staff completing mandatory and elective training in a broad range of areas throughout the year.

Employee Representation

- HSR initial 5 day course
- Role of Return to Work Coordinator

Emergency Preparedness

- CPR
- CPR refresher
- AED defibrillator
- Introduction to Emergency Management
- Emergency warden
- Fire warden
- Immunisation emergency

Policy and Procedure

- Induction to LG
- Health and Safety Policy awareness
- New employee health and safety induction
- Asbestos Awareness
- Incident investigation

Employee wellbeing

- Mental health and wellbeing
- Building more positive relationships
- Managing challenging conversations

Plant and equipment

- Front end loader
- Forklift Operation
- Elevated Work Platform
- Certificate 2 Electrical Safety Installation refresher

Swimming pool safety

- Pool lifeguard update
- Life guard

Health and Safety Initiatives

Other occupational health and safety related initiatives undertaken by Council during 2015/16 included:

- Electrical test and tag program
- Audiometric testing
- Asbestos risk assessments

Another significant focus for the year was incident reporting and investigation. Throughout the year employee incident, hazard and near-miss reporting improved and resulted in increased reporting on previous years. The reporting did however show similar seasonal trends.

Table 1: Total staff FTE by department (at 30 June 2016)

Directorate		Corporate Performance			Sustainable Development		Assets		
Department	Executive incl Directors	Alpine@ Home	Corporate Services	Facilities	Planning & Amenity	Economic & Comm Dvpt	Asset Dvpt	Asset Mtc	Total
Permanent – FT – F	3.00	3.00	6.64	1.00	2.00	1.61	0.00	2.00	19.25
Permanent – FT – M	3.00	0.00	4.00	2.00	3.00	0.00	4.00	31.44	47.44
Permanent – PT – F	1.22	12.53	1.00	6.30	2.53	4.29	1.50	0.22	29.59
Permanent – PT – M	0.00	0.00	0.00	1.70	2.37	0.00	1.95	0.84	6.86
Casual – F	0.00	2.36	0.50	3.37	0.00	0.80	0.00	0.56	7.59
Casual- M	0.00	0.19	0.00	1.53	0.00	0.00	0.00	0.89	2.61
Totals by Department	7.22	18.08	12.14	15.89	9.90	6.70	7.45	35.95	113.33
Totals by Directorate	7.22		46.11		16.60		43.40		113.33

Perm = Permanent; FT = Full Time; PT = Part Time; F= Female; M = Male

** includes casuals at 30 June 2016, but does not include temporary positions, which includes backfill positions such as maternity leave.

Table 2: Summary of FTE categorised by employment classification and gender (at 30 June 2016)

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	Other	Totals
Female	0.49	13.23	6.97	9.41	10.62	7.44	3.34	0.00	4.93	56.42
Male	0.20	0.74	18.95	10.84	5.24	9.00	5.95	0.63	5.34	56.91
Total	0.69	13.98	25.92	20.25	15.86	16.44	9.29	0.63	10.27	113.33

*** includes casuals at 30 June 2016, but does not include temporary positions, which includes backfill positions such as maternity leave.*

Volunteers

Volunteers play a crucial role in the delivery of many services provided by Council. In fact, Council engages more than 300 volunteers across many fields including home and community care, visitor information services, youth, facility management and advisory committees.

Council appreciates the role undertaken by its many volunteers, and acknowledges that without their assistance, there would be many services which could not be provided. Much of the work done by Council's dedicated volunteers provides vital support and expertise to assist the Alpine Shire community with general health and wellbeing, learning new skills and maintaining independence.

Volunteers can provide their services in many ways – for example, being a member of one of Council's advisory committees provides Council with invaluable knowledge, guidance and perspective related to the committee – such as the management of Council's reserves, halls and other assets.

A volunteer lunch was held in May 2016 to acknowledge the hard work and community benefit that all of Council's volunteers contribute to.

L2P program

The L2P Learner Driver Mentor program utilises volunteer mentors to help young people in the community to learn the skills required to drive.

Sixteen active mentors have assisted many young people to gain the skills and 120 hours that they require to undertake their driver's licence test, hence moving from L plates to P plates (L2P). In 2015/16 the L2P program assisted 13 young people to successfully gain their driver's licence, with a further 26 young people enrolled in the L2P program. More than 1,400 hours were logged by learner drivers on the program during 2015/16.

Alpine Ambassadors

The Alpine Ambassador volunteer program within Council's Visitor Information Centres (VICs) enables Council to deliver a much greater level of service to assist visitors, and ensure that they maximise their stay whilst in the beautiful region. All 60 Alpine Ambassadors are all passionate about where they live and want to share this knowledge with others.

Meals on Wheels

Meals on Wheels continues to be a well-known means of volunteering, and in 2015/16, Council's Meals on Wheels volunteers delivered more than 7,000 meals to clients in the Alpine Shire.

Awards and Recognition

Awards presented to the community

The awards presented to the community each year are a fantastic way of recognising those that are doing a great job. While Council coordinates the awards, it is the inspirational members of the community that are nominated by their peers, and by those that they have helped along the way. There are several opportunities each year to recognise community members:

Australia Day

Australia Day is a well-known way to celebrate community members that are making a difference. The Citizen of the Year is selected from among the winners of the Young Achievers and Achievers of the Year in each of the three districts. Winners in January 2016 were:

Alpine Shire Citizen of the Year: Ian Stapleton

Local Achiever of the Year:

Myrtleford and District – Tiffany Iaria

Bright and District – Ian Stapleton

Kiewa Valley – Keith Pike

Local Young Achiever of the Year:

Kiewa Valley – Kenton Ford

Lifetime Achievement: Dederang Picnic Races

Community Event of the Year: Dederang Picnic Races

Community Organisation of the Year: Birkebeiner Nordic
Ski Club Search and
Rescue Group

Youth Awards

The annual youth awards recognise the contribution and achievements of local young people within the Shire. Coordinated by a team of enthusiastic young people, these awards acknowledge and thank 12 – 21 year olds that have lived, worked or studied in the Alpine Shire in 2016.

Youth award winners in October 2015 were:

Community: Bright P-12 College Students Group
and Chloe Breen

Arts: Breanna Johnson

Workplace: Brooke Rouse

Inspirational: Hope Ludbrook

Academic: Nathan DeVries

Sport: Phillip Bellingham

Rural: Leah Orton

Alpine Shire Award:

12 - 17 years: Samantha Forbes

18 - 24 years: Phillip Bellingham

Business and Tourism Awards

The Alpine Shire Business and Tourism Awards are held on a biennial basis, and were held in October 2015. The awards aim to reward excellence of outstanding Alpine Shire businesses, inspire businesses to learn from the achievements of others, provide a valuable networking opportunity, and encourage leadership amongst the Alpine Shire business community and acknowledge the contribution of these businesses to the community.

Excellence in Retail

Winner: TAFCO Rural Supplies

Finalist: Sassy Road

Excellence in Professional Services

Winner: Bright Community Bank

Excellence in Tourism

Winner: Alpine Valley Getaways

Excellence in Hospitality

Winner: Bright Brewery

Finalist: Feathertop Winery

People's Choice Awards

Winner: Alpine Gate Café

Finalist: Carlo's Pizza

Finalist: Coffee Chakra

Business of the Year

Winner: Bright Brewery

Sensational Seniors

The "Sensational Seniors" program recognised and celebrated two older people each month who were ageing positively in the Alpine Shire. The program operated from July 2014 until December 2015. Winners in 2015/16 were:

July 2015	Esther Trustum Geoff Seymour
August 2015	Miffy Robb Barbara Broz
September 2015	Betty Seeley Marg Lease
October 2015	Gwen Matthews Steve Dale and Kevin Greal
November 2015	Jim King Allan Elliot
December 2015	John Lonergan Marlene Lonergan

Performance Report

Corporate Planning and Reporting Framework

Every Council in Victoria is required by the *Local Government Act 1989* to produce a Council Plan following each Council election. The Alpine Shire Council Plan 2013-2017 was developed following the October 2012 council elections and has been reviewed each year since, with the latest review adopted on 28 June 2016.

The Council Plan is a strategic document, detailing the desired outcomes for the four years following the elections. It contains a Strategic Resource Plan, documenting resources required to deliver the council plan over the next four years, and is supported by the Annual Action Plan and Budget.

In addition to the Strategic Resource Plan, Council adopted a Long Term Financial Plan in June 2016, projecting Council's required resources (both financial and non-financial) over the next ten years.

Council Plan

The Council Plan is divided into five theme areas:

Inspired Community Leadership: *Council values effective community advocacy and partnerships*

Enhancing the Environment and Liveability: *An environment managed for now and the future*

Strengthening the Community: *A community supported to be healthy, active and involved*

Prosperous Economy, Employment and Investment: *A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment*

Performance Focused Organisation: *A customer focused, equitable and sustainable service to the community*

The Alpine Shire Council Plan 2013-17 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan.

Performance

Council's performance for the 2015/16 year has been reported against each strategic objective to demonstrate how council is performing in achieving the Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the council plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures.
 - Several of Council's strategic indicators in the council plan are service performance indicators and measures. These have been identified to reduce duplicate reporting.

Local Government Planning and Reporting

2015/16 is the second year that all councils across Victoria will be reporting against the prescribed Service Performance, Financial Performance, Sustainable Capacity indicators, and Governance and Management checklist contained within the *Local Government (Planning and Reporting) Regulations 2014*.

Results for these measures are found throughout the Theme reporting in the following section under the headings "Service Performance Indicators". Further reporting is found in the "Governance and Management checklist" on page 46 and in the Performance Report on page 108.

Theme 1: Inspired Community Leadership

Council values effective community advocacy and partnerships

Performance against the Council Plan

Proposed 2015/16 Activities	Major Initiative?	Progress at 30 June 2016
Strategic Objective 1.1: To effectively communicate and engage with stakeholders		
<i>Strategy 1.1.1: Regularly inform and involve our community</i>		
Trial participative budgeting techniques within a discrete Council budget area.	No	Council's assessment panel for Community Grants applications in 2015 included six community members representing a diversity of geographical locations, age and gender. A survey seeking input from the Dinner Plain community on priorities for the spending of the Dinner Plain Special Rate was undertaken. The response rate to the survey was excellent.
Podcast Council meetings.	No	Live streaming of Council meetings commenced in February 2016 to improve transparency and accessibility to the public. Live-streaming and archived recordings are available to view via Council's website.
Utilise contemporary community engagement techniques to reach the whole community (not just the 'squeaky wheels').	No	Council continued to utilise Facebook as a means of improving the reach of communications, rather than through traditional newspaper channels. Meetings to enable the community to provide feedback on issues such as new projects were also utilised. Key council staff will also be undertaking IAP2 public participation training in early 2016/17.
Strategic Objective 1.2: To advocate on behalf of and represent stakeholders on key issues		
<i>Strategy 1.2.1: To advocate on behalf of and represent stakeholders on key issues</i>		
Strategically lobby and network with key decision makers to positively influence funding applications and opportunities.	No	Council continued to meet with key industry, organisations and government to identify and pursue common goals and issues.
Strategic Objective 1.3: To provide exceptional emergency response and recovery services		
<i>Strategy 1.3.1: To provide exceptional emergency response and recovery services</i>		
Clarify EM roles in new structure, develop and implement EM staff training plan.	No	All Emergency Management roles have been clarified in Council's organisational structure, and various training has been carried out as part of the Municipal Emergency Management Plan review.

Services provided to the community

The following information details the key services provided to the community in this theme, and relevant key highlights and deliverables during the year.

Financial performance

Council paid out all its borrowings (\$1 million) in July 2015 due to having strong cash reserves. This was part of Council's Long Term Financial Plan (LTFP). Continued refinement of the LTFP is undertaken in an annual review, and adopted with each successive budget in June.

Library services

Council commenced transition of library services from High Country Library Corporation to Council during 2015/16. The transition was the result of a detailed service review of the High Country Library Corporation which recommended libraries be transitioned to each Council and a shared service arrangement be entered into. This was adopted by the High Country Library Board earlier in the financial year. The official handover date will be 1

August 2016, with months of planning work to ensure the transition will be smooth. Part of the transition will include the Library Hub operations (purchasing and cataloguing) and how this will be delivered to library branches across the four High Country Library Network Councils. Alpine Shire Council was afforded the responsibility of delivering the Hub services due to competitive overhead rates and a willingness to make the service as efficient as possible. The Library Hub services will be delivered from the former Myrtleford Chamber building which will undergo significant refurbishment to be fit for purpose.

Mount Buffalo Chalet advocacy

Council was part of a delegation to meet with the Minister for Environment, Climate Change and Water, Lisa Neville to discuss a revised plan for the redevelopment and reopening of the Mount Buffalo Chalet. Members of the

delegation included members of Community Action for the Chalet, Council, and Tourism North East. Following the meeting, the Minister announced a revised package for the Chalet and surrounding area. Council was also represented on the advisory committee appointed by the Minister to consider future options for the Chalet.

Municipal Emergency Management Plan

Council adopted its updated and improved Municipal Emergency Management Plan (MEMP) in November 2015. Following Council's endorsement, the MEMP was audited and approved by a panel comprising the Victorian State Emergency Service, Department of Health and Human Services and Victoria Police. The improved MEMP will ensure Council is better equipped during emergencies.

Severe rainfall events

During 2015/16, significantly more rainfall fell across the Shire than in the previous year. This was also reflected in two major storm events causing damage across the Shire.

December 2015 saw a large rain event with isolated 1 in 100 year falls across the Shire. During this event, in excess of \$300,000 worth of damage to Council's unsealed road network occurred. It also triggered a debris flow in Eurobin, causing damage to several houses and closing the Great Alpine Road for several hours.

Funding to reinstate Council's road infrastructure was successfully applied for through the Natural Disaster Fund.

A further severe rainfall event occurred on the evening of 28 January 2016, causing significant damage to the township of Mount Beauty. The storm caused damage to private property and trees, as well as several Council buildings. The Mount Beauty Library incurred significant damage, with a section of the roof being removed.

Council successfully relocated the library to temporary accommodation while repairs were made to the existing

space. The cost incurred to repair damage to Council assets was recovered through an insurance claim.

Council offered community support following these two events, including free green waste collection from storm-affected property owners.

Live streaming of Council meetings

Council commenced audio visual recording and live streaming of its Council meetings in February 2016. The recordings allow the wider community to access the decisions and debate that occur during a council meeting without having to attend in person. Live streaming and archive footage is available for viewing via Council's website.

Shared services

At the October 2015 ordinary council meeting, Council resolved to, 'participate in the formation and operation of a corporation with Towong Shire Council, in accordance with s193(1)(a) of the *Local Government Act 1989*, for the purposes of sharing services'.

The purpose of the resolution was to create a joint venture in response to local government reform, that would be highly competitive as a result of its:

- scale - resulting in improved procurement outcomes, technology driven systems, service flexibility, innovation and reduced duplication; and
- focus - through competing for business to survive, a more private enterprise type approach to employee and materials costs will prevail.

MomentumOne Shared Services Pty Ltd enables councils to work together to provide exceptional service delivery and best value for their communities.

Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Governance			
Transparency			
Council resolutions made at meetings closed to the public** [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100	8.6%	4.4%	Fewer decisions were made at meetings closed to the public during 2015/16, in part due to all tenders being awarded at meetings open to the public.
Consultation and engagement			
Satisfaction with community consultation and engagement* Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	56	60	
Attendance			
Councillor attendance at council meetings* [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x100	83.7%	85.71%	
Service cost			
Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$34,393	\$35,681	
Satisfaction			
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	58	60	

* Also identified as Council Plan Strategic Indicators

** Also identified as a Council Plan Strategic Indicator for Theme 5: Performance Focused Organisation

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Successful audit of the Municipal Emergency Management Plan	Council's Municipal Emergency Management Plan was approved in November 2015, and obtained a successful audit the same month.

Theme 2: Enhancing the Environment and Liveability

An environment managed for now and the future

Performance against the Council Plan

Proposed 2015/16 Activities	Major Initiative?	Progress at 30 June 2016
Strategic Objective 2.1: To provide and maintain quality parks, gardens and natural environment		
<i>Strategy 2.1.1: Use sustainable practices to manage open spaces</i>		
Complete the Victorian Adaption and Sustainability Partnership 'Recless' project to make Council's open spaces more sustainable.	No	The RecLess project is a joint project with Benalla Rural City, and has completed an audit of open spaces and water use across both Shires, and analysed where changes could be made to reduce water use across those areas. The project is due for completion in November 2016, and will include plant guides adaptive to climate change and showcase gardens.
Strategic Objective 2.2: To improve the quality of the built environment and amenity		
<i>Strategy 2.2.1: Minimise the impact of Council services on environmental amenity of the community</i>		
Develop and implement a holistic strategy for the collection, transfer and disposal of waste, recyclables and green/organics waste.	Yes	Council adopted the landfill operations review in December 2015. Council commenced landfill diversion to a regional location from November 2015. The review of transfer stations and kerbside services will continue into 2016/17.
<i>Strategy 2.2.2: Control development to protect the environment</i>		
Implement the Rural Land Strategy to ensure the protection of rural areas.	No	Amendment C39, which included recommendations from the Rural Land Strategy, was approved by the Minister for Planning and gazetted on 9 June 2016. Amendment C39 now forms part of the Alpine Planning Scheme.
Strategic Objective 2.3: To improve the condition and management of Council's assets		
<i>Strategy 2.3.1: Manage Council assets to ensure sustainability</i>		
Improve asset data in all classifications to accurately inform and manage the renewal budget.	No	Council has been utilising mobile apps to undertake inspections for Bridges, Buildings and Roads, and has undertaken improvements in Council's GIS system to improve decision making and response to customer requests. Works are ongoing in this area and an Asset Management system will be purchased in 2016/17. Improved inspection data allows for more accurate renewal budgets to be developed.
Strategic Objective 2.4: To reduce Council's ecological footprint		
<i>Strategy 2.4.1: Reduce impact of Council's operations on the environment</i>		
Review putrescible waste disposal arrangements (Myrtleford vs Regional landfill), and implement the findings.	Yes	Council determined to divert waste to a regional landfill site to allow development of final airspace to be made available at the Myrtleford landfill cell before its closure. Access to airspace has been delayed due to weather interrupting site works. Waste is continuing to be diverted and market testing for ongoing diversion will be undertaken as planned.

Services provided to the community

The following information details the key services provided to the community in this theme, and relevant key highlights and deliverables during the year.

Waste management

Review of Myrtleford Landfill

Council completed a review of the Myrtleford Landfill as part of its ongoing commitment to efficiency and business improvement. At the special council meeting in December 2015, Council resolved to convert the facility to a best practice waste transfer station and close the landfill according to EPA requirements, with no adverse impact on the services provided to the public or opening hours. Extensive consultation took place with the current landfill operator, Sustainability Victoria, the North East Waste and Resource Recovery Group (NEWRRG), the Environment Protection Authority (EPA), and regional landfill operators.

The key advantages of this decision are:

- Waste disposal in a large regional site is environmentally responsible
- Risk exposure to increasing regulation and compliance requirements is minimised
- Ongoing rehabilitation responsibilities are capped, and
- Significant financial savings will be achieved

Recycling bin upgrades

To encourage increased levels of household recycling, Council reduced the cost of a 360L recycle bin kerbside service to the same price of the standard 240L service. This offer was well received by the community, with customer requests regarding bins doubling compared to the previous year – mostly due to the recycling bin upgrade.

Fire prevention

Council's Fire prevention program involves inspecting properties for fire hazards and working with property owners to ensure fire hazard issues are addressed. During the 2015/16 fire season, Council issued 247 Fire Prevention Notices advising ratepayers that their property was a fire risk. Following the 20 day grace period, 58 properties were deemed as non-compliant, which permitted Council to engage contractors to treat hazards by slashing, mulching, and spraying of blackberries. This was made possible by an iPad app developed by Council that allowed officers to utilise the app from inspection right through to follow-up.

Alpine Better Places

The Alpine Better Places design project was successfully completed prior to its 30 March 2016 deadline. The project involved extensive community engagement and the final detailed concept designs were adopted by Council at the Ordinary Council Meeting in March 2016.

The project was delivered on budget (\$200,000), which included \$150,000 from Regional Development Victoria.

The community supported detailed concept designs which provide clear direction for almost \$8 million worth of streetscape improvements to the town centres of Bright, Porepunkah and Myrtleford, ready to proceed into detailed design and implementation.

Strategic planning

Council's strategic planning role prepares and reviews amendments to the Alpine Planning Scheme, structure plans, strategies, master plans, urban growth plans, frameworks and design guidelines.

Three amendments to the Alpine Planning Scheme were approved by the Minister during 2015/16.

This included an amendment to the Local Planning Policy section of the Planning Scheme and the adoption of the Rural Land Strategy. The adoption of these amendments will provide greater certainty for developers while also protecting the natural environment and agricultural land from inappropriate development.

Statutory planning

Council's Statutory Planning team issued 212 new and amended planning permits in the 2015/16 financial year. Council's quick processing times for planning permits gives developers greater certainty in investing in Alpine Shire.

Table 3: Planning Permits

	2015/16	2014/15	2013/14	2012/13	2011/12
Number of planning permits received / issued	241 / 259	245 / 228	225/237	207/254	273/309
Median processing time (days)	35	35	42	32	32
Value of works subject to planning permit	\$31M	\$27M	\$27M	\$18M	\$32.6M
Value of fees	\$77,666	\$80,789	\$82,748	\$63,834	\$74,000

Municipal building services

Council's Building team issued 177 building permits for the financial year with a combined value of works of \$15.1 million. When permits issued by private building surveyors are combined with those issued by Council, permits for \$31.4 million of building works have been issued across the Shire during 2015/16.

Table 4: Building Permits completed by Alpine Shire Council

	2015/16	2014/15	2013/14	2012/13	2011/12
Number of building permits issued	177	172	195	192	147
Value of building works approved	\$15.1m	\$14.6m	\$14.9m	\$10.3m	\$8.7m
Value of fees	\$188,164	\$201,668	\$174,590	\$155,323	\$121,650

Environmental Health

This service provides for the registration and inspection of all food premises, waste water applications, investigation of complaints in relation to noise, odours, dealing with infectious disease outbreaks and other health issues.

Council's Environmental Health service has utilised a new software system for processing environmental health permits, which will result in significant efficiency gains. Food safety assessments have been a focus of the team in the latter half of 2015/16, and the use of the software system is key to capturing the data from these inspections.

Maintenance apps

Council has been actively pursuing technology to improve efficiencies in annual inspections of assets. Apps to enable bridge, road and building inspections have been developed in-house, allowing officers in the field to transfer their data directly to a central mapping system, capturing defects or issues, and alerting relevant staff. This links to work undertaken to improve Council's mapping of the

asset network, which will improve both customer service when recording a request, officers dealing with requests, and preparation of project scopes for new works.

Streetscapes

Following community consultation in September 2015, Council removed a row of declining poplar trees in Myrtle Street along the western entrance to Myrtleford. The trees lined the median strip and were all in various conditions with the majority in poor health or decline, and had caused significant damage to the kerb. VicRoads contributed funding to conduct kerb repairs, which was completed prior to replanting with more suitable Maple species similar to those already in the Myrtleford township. This has retained the vibrant Autumn colour and the avenue feel of the entrance to the town and to the Shire.

Service Performance Indicators

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Statutory Planning			
Timeliness			
<i>Time taken to decide planning applications*</i> [The median number of days between receipt of a planning application and a decision on the application]	35	34	
Service standard			
<i>Planning applications decided within 60 days*</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	76.0%	82.0%	
Service cost			
<i>Cost of statutory planning service*</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$1,173	\$1,197.40	
Decision making			
<i>Council planning decisions upheld at VCAT*</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0	0	There were no VCAT Council decisions in relation to planning applications in 2015/16.
Roads			
Satisfaction of use			
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	26.6	34.8	Sealed local road requests include such items as reporting of potholes, requests for sealing, access issues, drainage issues, and any other requests relating to the road surface. Council's 2014/15 results have been updated to include drainage requests, to ensure that year on year results are comparable. The increase in requests in 2015/16 is partially due to more rainfall this year.
Condition			
<i>Sealed local roads below the intervention level*</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.4%	99.4%	Council's sealed local road conditions were assessed in 2014. They are due to be re-assessed in 2017.
Service cost			
<i>Cost of sealed local road reconstruction*</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$44.90	\$104.74	Increase in reconstruction costs in 2015/16 due to an increase in expenditure on kerb and channel, and bridges.
<i>Cost of sealed local road resealing*</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$7.74	\$8.54	Council's resealing cost has increased in 2015/16 due to an increase in long-lasting asphalt works being undertaken, compared to shorter-term spray seal.

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	59	60	
Waste Collection			
Satisfaction <i>Kerbside bin collection requests*</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	39.7	81.1	Council introduced a free upgrade from 240L to 360L recycling bins during 2015/16, which resulted in a significant increase in requests for change of service.
Service standard <i>Kerbside collection bins missed*</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	0.9	0.7	
Service cost <i>Cost of kerbside garbage collection service*</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$153.77	\$142.74	Council achieved a reduction in cost per bin due to lower disposal costs after the commencement of diversion of waste in November 2015.
<i>Cost of kerbside recyclables collection service*</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$43.75	\$43.43	
Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	48.9%	49.2%	

* Also identified as Council Plan Strategic Indicators

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Completion of the Victorian Adaptation and Sustainability Partnership project to make Council's open spaces more sustainable	Sustainable practices are part of the Open Spaces management plan, and will be informed by the VASP 'Recless' project final outcomes.
Conduct energy and water audit	Energy contract awarded, which will allow consolidated billing. This will allow clear information about resource consumption and allow prioritisation of energy/environmental projects. Water audits have been completed as part of the VASP 'Recless' project.

Theme 3: Strengthening the Community

A community supported to be healthy, active and involved

Performance against the Council Plan

Proposed 2015/16 Activities	Major Initiative?	Progress at 30 June 2016
Strategic Objective 3.1: To support the health and wellbeing of communities		
<i>Strategy 3.1.1: Facilitate increased community participation</i>		
Improve affordability and accessibility to community facilities.	No	Council introduced a new pricing structure which has been implemented to encourage community participation. Examples include the early bird season passes for families at outdoor pools, reducing the cost significantly from previous years.
Strategic Objective 3.2: To improve the resilience of communities		
<i>Strategy 3.2.1: Strengthen the capacity and resilience of communities</i>		
Commence the 'Engage' project, aimed at capacity building in young people.	No	The "Engage" project is a three year youth project, with 'social enterprise and youth entrepreneurship' as a key concept. Activity calendars have been developed, including careers expos, schools participating in a young leaders conference, and working with schools to enhance their social enterprise and work experience / placement programs.
Strategic Objective 3.3: To ensure appropriate services and programs for early years, youth and families		
<i>Strategy 3.3.1: Best possible start for children and families within the Alpine Shire</i>		
Participate in the 'Tomorrow Towns' pilot program to develop and implement a youth driven, future economic and community action plan.	No	The "Tomorrow Towns" pilot program developed a youth engagement tool, which will be utilised as part of development of the Youth program in 2016/17.
Strategic Objective 3.4: To support positive living and ageing		
<i>Strategy 3.4.1: Support independence and accessibility</i>		
Complete the 'New Futures for Senior Citizens Centres and Clubs' project to help people to better understand and utilise facilities.	Yes	Council's report has been completed, with results provided to the Municipal Association of Victoria for compilation with other participating councils. Council will utilise results of the report to progress future use and management of the clubs.

Services provided to the community

The following information details the key services provided to the community in this theme, and relevant key highlights and deliverables during the year.

Home and Community Care services

Council has provided home care, respite care and personal assistance to frail members of the community since 1994. Five years ago, Council collaborated with Alpine Health to create the Alpine@Home service model to create an accessible, client-centred 'continuum of care' to the community.

During 2015/16, Council undertook a review of its Home and Community Care (HACC) service, in light of reforms being made to the aged and disability services sector by the Australian Government, and cost pressures facing all Victorian councils.

Council worked closely with the Victorian Department of Health and Human Services, which ultimately resulted in Council relinquishing operation of the HACC service at the completion of the 2015/16 year, and coordinating a transition to Alpine Health as the new provider of the service from 1 July 2016.

This transition preserves the unique service delivery model provided to HACC clients, ensuring the best outcomes for clients and securing local employment.

Maternal and Child Health

Council's Maternal and Child Health (MCH) team continued to deliver its Service Improvement Plan, including a focus on increasing participation and engagement of vulnerable families, and developing innovative ways to increase awareness of family violence.

In addition, Council's MCH team have delivered the following highlights:

- An Infant and toddler social, emotional and behavioural health clinic.
- Council's MCH team collaborated with Alpine Childrens Services, local libraries, playgroups and toy libraries for Children's Book Week activities, with over 150 attendees to activities.
- Supporting the "Communities latching onto breastfeeding" awareness campaign
- Transitioning to the new state-wide client management software, due to occur in July 2016.

Recreation

To encourage increased use of Council outdoor pools over the pool season Council significantly reduced the price of season passes. The introduction of Early Bird Family Season Pass at \$99 (a discount of \$200 against prior year family season pass) and a reduction of approximately 30% in the price of adult and child / concession season passes combined resulted in a substantial increase in attendances across the Mount Beauty and Myrtleford pools.

Consultation with the Mount Beauty community resulted in the Mount Beauty Swimming Pool extending morning opening hours by 1½ hours and an extension of the pool season to include the 2016 Easter School Holiday period.

Both initiatives resulted in total attendance at outdoor pools increasing by 13% in 2015/16 compared to the previous year.

Youth

Council was awarded funding by the Department of Justice and Regulation under the "Graffiti Prevention" program. The project will invite young people to engage with professional street artists, attend workshops and undertake art works on the public toilet facility at Apex park in Myrtleford.

Council was awarded funding by Vic Health for the "Walk to School" program. This is the second year that Council has applied for the funding and been successful. All schools across the Shire participate in this healthy initiative which includes the selection of an event date and encouragement of children to walk to school and come together to enjoy a healthy breakfast.

The Tomorrow Towns pilot project was conducted in Myrtleford to identify methods to engage and communicate with youth more effectively. As a result of engagement during the pilot, a project to reinvigorate the "Sandy Beach" river swimming spot is being planned to be undertaken this summer. This project will include the ongoing participation of youth in the Myrtleford community.

Council called for expressions of interest from youth within the Shire to participate in an "Experience Asia" scholarship which is part funded by the Foundation for Young Australians. The successful student from Mount Beauty will be undertaking the placement in mid 2016.

A total of 75 nominations were received for the Youth Awards, which is an increase of 75% on the previous year.

The awards presentation night occurred in October 2015, which was a great opportunity to celebrate the Shire's youth.

Resilience month

Council coordinated a REAP (Resilience Emergency Action Planning) Day in Myrtleford during October 2015. Students spent the day rotating through various activities presented by representatives from Council, State Emergency Service, Victoria Police, Country Fire Authority, Parks Victoria, Alpine Health, Department of Environment Land Water and Planning, and the Red Cross.

REAP days have become a regular part of resilience month (held annually in October), and provide a great opportunity for the younger members of the community to learn about and be prepared for emergencies.

Myrtleford Skate Park

The Myrtleford Skate Park upgrade was successfully delivered prior to its December 2015 deadline, with construction being completed in early November and the official opening held on Friday 4 December 2015.

The \$160,000 project was funded by Sport and Recreation Victoria (\$100,000) and Council, and was completed on budget.

Delivery of this project has resulted in a boost in the use of the facility from local and visiting skaters, scooter users and riders, across a broad spectrum of age groups.

Gapsted Hall upgrade

Upgrades to the Gapsted Hall included the addition of a new kitchen and meeting room, improved amenities, the addition of a covered verandah and painting of the existing building.

The work was carried out by a range of contractors as well as substantial in kind contribution from local community members. The project was valued at \$115,850 and was funded by the Victorian State Government, Putting Locals First program, Council and financial and in-kind contribution from the local community.

Delivery of the project has provided an improved and safer community facility to better accommodate the community's needs.

Lighting upgrades

A range of lighting improvements in public open spaces was completed as part of the Federal Department of Justice Safer Streets Programme. The lighting was implemented across a range of open spaces including Cundy Park and the Victoria Bridge in Myrtleford, Howitt Park in Bright and the Mount Beauty Recreation Reserve. The lighting installed included sensor lights, flood lighting and solar lights. The project was made possible through a \$50,000 grant from the Safer Streets Programme and a contribution of \$4,370 from Council.

Completion of this work has contributed to an improvement in safety in public spaces.

Service Performance Indicators

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Libraries			
Utilisation			
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	3.1	2.9	Library collection usage has been updated for both 2014/15 and 2015/16. There was a change in the Library reporting system this year which has resulted in more accurate reporting and 2014/15 has been adjusted to ensure the result is comparable.
Resource standard			
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	62.0%	60.7%	
Service cost			
<i>Cost of library service</i> [Direct cost to Council of the library service / Number of visits]	\$3.02	\$3.13	

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Participation			
<i>Active library members</i> [Number of active library members / Municipal population] x100	24.1%	23.2%	Active library members have been updated for both 2014/15 and 2015/16 to reflect the improved ability to report 'active library members' as those that borrow a library item. The result previously reported for 2014/15 was 28.57%.
Aquatic Facilities			
Service standard			
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0.7	3.0	Council focussed more resources towards aquatic facility inspections in 2015/16.
<i>Reportable safety incidents at aquatic facilities*</i> [Number of WorkSafe reportable aquatic facility safety incidents]	0	0	There have been no reportable safety incidents at Council's aquatic facilities in 2015/16.
Service cost			
<i>Cost of indoor aquatic facilities*</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$6.38	\$3.95	Indoor pool memberships nearly doubled in 2015/16 compared to the previous year. Increased visitation was also driven by a short closure of the dry area in 2014/15 for renovations, reflecting positively on visitation in 2015/16.
<i>Cost of outdoor aquatic facilities*</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$8.76	\$6.04	Extended opening hours and an elongated pool season, coupled with a very successful campaign offering reduced cost early bird season passes for outdoor pools meant that visitation to outdoor pools was higher than in previous years. Labour costs were also reduced through outsourcing.
Utilisation			
<i>Utilisation of aquatic facilities*</i> [Number of visits to aquatic facilities / Municipal population]	3.37	3.99	Council continues to see an increase in users of aquatic facilities. This can be attributed to: good uptake of reduced price early bird season passes, growing Learn to Swim programs, and extension of access to outdoor pools through opening times.
Animal Management			
Timeliness			
<i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.27	1.06	Response to animal management jobs has been a focus for Local Laws staff in 2015/16, resulting in improved response times.

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Service standard			
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	83.0%	94.1%	Council's improved focus on animal management is reflected in more resources being dedicated to finding owners of animals being collected.
Service cost			
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$24.36	\$22.77	Council reduced staffing from 1.5 EFT in 2014/15 to 1.0 EFT in 2015/16. This reduced the cost of the animal management service.
Health and safety			
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	1.0	Council took one animal management incident to court in 2015/16, resulting in charges. There were no prosecutions in the 2014/15 year.
Food Safety			
Timeliness			
<i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	- [^]	1.0	Council received one complaint in 2015/16.
Service standard			
<i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	67.6%	30.9%	Council has been systematically reviewing its services. Food Safety has been focussed on as an improvement area in late 2015/16, and this will continue into 2016/17.
Service cost			
<i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$381.28	\$160.93	A reduction in staffing in the Environmental Health department has reduced the cost of food safety.
Health and safety			
<i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about a food premises] x100	0	45.61%	In 2014/15, Council included only those notifications from auditors of Class 1 premises. In 2015/16, Council has expanded reporting to include notifications made by Council authorised officers (for Class 1-3), as well as those received by auditors. Two critical notifications occurred, both of which were followed up in 2015/16.

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Home and Community Care (HACC)			
Timeliness			
<i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]	- [^]	14.0	
Service standard			
<i>Compliance with community care common standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	100.0%	100%	
Service cost			
<i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]	- [^]	\$61.11	
<i>Cost of the personal care service</i> [Cost of the personal care service / Hours of personal care service provided]	- [^]	\$53.16	
<i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]	- [^]	\$54.74	
Participation			
<i>Participation in HACC service*</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	29.7%	27.16%	Council implemented a demand reduction program for the HACC service in 2015/16 in order to return to target funded hours. This resulted in slightly less persons receiving a HACC service than in 2014/15.
Participation			
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	36.4%	28.9%	The HACC CALD population within the municipality is ageing, and diminishing over time. The effect of the HACC demand reduction program has also seen an effect on CALD clients.
Maternal and Child Health (MCH)			
Satisfaction			
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	102.0%	111.96%	In a small number of cases, Council also conducts home visits for newborns where the birth notification was received elsewhere, but Alpine Maternal and Child Health Nurses conduct the first home visit.
Service standard			
<i>Infant enrolments in the MCH service*</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.0%	100.0%	

Service/indicator/measure	Results 2014/15	Results 2015/16	Comments ⁺
Service cost <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	– [^]	\$59.68	
Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	84.7%	86.65%	Council's MCH nurses have focussed on increasing participation in MCH programs during 2015/16.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	87.5%	88.24%	

* Also identified as Council Plan Strategic Indicators

+ The Local Government (Planning and Reporting) Regulations 2014 require Council to report material variations between the current year results, and the preceding three years' results. Comments are included where necessary to aid the reader's understanding.

[^] This indicator was not mandatory in 2014/15, hence no data exists for that year.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Total value of community projects delivered by the community grants program	Total value of community grants awarded in 2015/16 was \$79,133 resulting in \$189,971 worth of community projects being delivered. See page 55 for more details. All co-funded projects for 2015/2016 were completed.

Theme 4: Prosperous Economy, Employment and Investment

A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate new investment

Performance against the Council Plan

Proposed 2015/16 Activities	Major Initiative?	Progress at 30 June 2016
Strategic Objective 4.1: To effectively plan and deliver strategic and major projects		
<i>Strategy 4.1.1: Develop and deliver a major projects plan</i>		
Develop and communicate Council's 10-year Strategic Projects Pipeline and incorporate in the Long Term Financial Plan.	Yes	Council's Spark program has been utilised to capture projects and services and schedule them into future years. This scheduling is utilised to map Council's likely expenditure in the Long Term Financial Plan. Milestone dates have been entered for all 2016/17 projects. Projects are being actively tracked, and displayed prominently in the Council offices.
Strategic Objective 4.2: To support investment and existing enterprise		
<i>Strategy 4.2.1: Implement targeted tourism and business support</i>		
Deliver the annual Tourism Activity plan; with particular emphasis on events and marketing new Dinner Plain infrastructure.	No	All planned activities for Council were completed, including planning for a new "cycle guide". Tourism North East continued to deliver on the regional plan. Tourism North East have reviewed and updated the Strategic Plan for the region - recently endorsed by the Board of TNE.
<i>Strategy 4.2.2: Support a diverse and sustainable economy</i>		
Conduct a tour of the municipality to familiarise Councillors with local businesses and enterprises.	No	The tour was not undertaken during 2015/16. It is anticipated that this will occur with the new Council elected in October 2016.

Services provided to the community

The following information details the key services provided to the community in this theme, and relevant key highlights and deliverables during the year.

Tourism

The tourism team is focused on marketing, product and industry development. The development and distribution of tourism collateral including the Shire's Official Visitors Guide, trail brochures, maps and retail and dining guide are also deliverables of this service.

Festivals and events

Events are a major contributor to the economy. Council has a role in seeking and developing new events.

Festival and events in the Shire continue to be a great drawcard and success for local and visitors. Council provides support to those events where required, to ensure that they run smoothly.

Council and Spartan Australia have worked together to come to an agreement for the Spartan Trifecta event to come to Bright in November 2016. This event is a two day event occurring on the last weekend of November. The event is expected to attract up to 5,000 participants and to inject \$1.8million directly into the economy of Alpine Shire.

Additionally, in this financial year, Council have assisted to deliver 88 events across the Shire. This number of events has increased by 18% on the previous year.

Council supported Mountain Bike Australia ("MTBA") in entering a bid process with Enduro World Series for a round to be held in Australia in 2017 and 2019. The bid for Bright was competing against a bid by another event organiser for the round to be held in Derby, Tasmania. Unfortunately, the MTBA bid for Bright was unsuccessful. Council will continue to work with event organisers to submit to future bidding submissions.

Council has promoted the use of township hash tags for use by visitors and residents when posting destination imagery to Instagram (#lovebright, #myrtleford, #mtbeauty, #harrierville).

Dinner Plain

Dinner Plain is an alpine village which requires special services due to its unique nature. Rates, special rates and other income generated from the village are quarantined for use on the village.

Council is guided by the Dinner Plain Advisory Committee on matters related to the management and future direction of the village (see page 44).

Dinner Plain celebrated its 30th anniversary in June 2016. Council provided sponsorship funding to enable delivery of a celebration event taking place over the opening weekend of the 2016 ski season.

The Dinner Plain Gravity Park with new snow-making infrastructure provided excellent results during the winter ski season. In excess of 10,000 cubic metres of snow was made which resulted in the ski lift being operational for a total of 86 days – meaning that the ski lift was operational for 24 days more in 2015 than in 2014. Tubing was also a

new experience for 2015 and provided an alternative to skiing for visiting families.

Visitor information centres

This service comprises visitor information services located at Bright (Alpine), Mount Beauty and Myrtleford. Council employs coordinators to manage each of the centres, and relies heavily on the support and enthusiasm of the Alpine Ambassadors (see page 18) to provide information services to the region's visitors.

Strategic Indicators

Indicator	Result
Capital program delivered (\$ Actual) / Capital program (\$ Budgeted)	\$7.4m spent / \$8.792m budget - 84%.
Number of new events attracted to the Alpine Shire	Four additional events were attracted to the Shire in the first half of 2015/16. In addition to this, work was undertaken on attracting the Enduro World Series, as well as the Spartan event. A number of new events are planned for 2016/2017, including Spartan which has secured 2,000 registrations for the Trifecta Event, which is planned for November 2016.

Theme 5: Performance Focused Organisation

A customer focused, equitable and sustainable service to the community

Performance against the Council Plan

Proposed 2015/16 Activities	Major Initiative?	Progress at 30 June 2016
Strategic Objective 5.1: To provide excellent customer service		
<i>Strategy 5.1.1: Deliver outstanding customer service</i>		
Work with the new Customer Service team (and organisation) to introduce and embed innovative and modern processes, systems and culture.	Yes	Council's customer service team has implemented new software to workflow key requests that come through customer service, such as bin repairs / replacement, and requests for local laws and environmental health staff. This has saved time and improved efficiencies.
Strategic Objective 5.2: To manage resources well to ensure sustainability		
<i>Strategy 5.2.1: Deliver responsible and prudent financial management</i>		
Review and update the 10-year Long Term Financial Plan.	No	The Long Term Financial Plan was adopted on 28 June 2016 as part of Council's budget. This document is updated annually.
<i>Strategy 5.2.2: Deliver best value programs and services</i>		
Complete stages 2b and 3 of the Strategic Alignment Project.	No	Council's performance management system (Spark) was rolled out to staff. The system allows projects and services to be prioritised, and mapping of milestones and KPIs. This prioritisation of projects fed directly in to the 2016/17 budget.
Continue to simplify workflows and procedures.	No	Officers continue to develop solutions to internal processes. This is an ongoing project.
Strategic Objective 5.3: To support people and business practices		
<i>Strategy 5.3.1: Develop and maintain a dedicated and passionate workforce</i>		
Complete HR review elements to ensure; <ul style="list-style-type: none"> · clarity of responsibility, expectation and authority, · consistent application of policies and rules, · equity, and · accountability. 	No	Phase 1 of the HR review has been completed. Position descriptions have been updated, policies are being reviewed, expectations are clear, and performance is being managed. Spark will be utilised to manage accountability.
<i>Strategy 5.3.2: Deliver effective and innovative process and technology solutions</i>		
Complete the introduction of Point of Sale systems.	No	The project of converting to new Point of Sale platform was completed in first quarter. Data is now being used for reporting purposes and improvements are being made to inventory management.
Introduce cloud based rostering system into outdoor pools as first stage introduction to all facilities	No	A cloud-based rostering system was introduced for outdoor pools over the 2015/16 pool season. This will be further utilised for rostering of Visitor Information Centres, Bright Sports Centre and Transfer stations in 2016/17.
Develop and implement automated business solutions (priorities include customer requests, time in attendance, and purchase to pay).	Yes	Progress is being made on the Purchase to Pay system. This is scheduled for roll out in the first half of 2016/17.
Strategic Objective 5.4: To ensure a high standard of governance		
<i>Strategy 5.4.1: Provide good governance</i>		
Focus on improving OHS management and reporting.	No	Council is implementing a new Occupational Health and Safety web-based system to stream-line incident reporting and tracking of actions derived from the OHS culture survey.

Services provided to the community

The following information details the key services provided to the community in this theme, and relevant key highlights and deliverables during the year.

Innovation

Innovation, and conducting business in a more efficient manner are key cornerstones of Council's direction for the future. Council has a history of being proactive and innovative, utilising cloud-based platforms for retail management, point of sale systems at remote sites and workflow management system for waste, on call and animal management to improve the way we do business.

Council has also developed its own performance management software to track performance of all capital works projects. This system is displayed on a dashboard for visibility and transparency.

Point of Sale systems

The introduction of a common Point of Sale (POS) system across all transfer stations, Visitor Information Centres and indoor/outdoor pools was completed. This now provides for improved data capture and reporting and faster processing of customer transactions.

The POS system is also supported by bar code scanning equipment to improve inventory management and accuracy/speed of transaction of merchandise at the Visitor Information Centres.

Council implemented a cloud based platform for workflow management of its waste process. This includes bin change overs, damaged bins and lost or stolen bins. This system streamlines what was a paper based process into an efficient electronic process.

Technology solutions at pools

Council has introduced a cloud-based rostering system for all outdoor and river pool staff. This has resulted in decreased rostering time and better communication of rostering with seasonal pool staff. The rostering system has been linked to the point of sale system used at the pools, to improve tracking of shift commencement and end times.

Strategic Indicators

Indicator	Results 2014/15	Results 2015/16	Comments
Adjusted underlying result* Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	12.00%	-5.03%	Reduction is due to less Financial Assistance Grants (\$1.7 million) which were received in the prior year and an increase in materials and services expenditure (\$1.6 million) due to amounts relating to capital works projects not being capitalised. This includes landscaping and street furniture for Mount Beauty Progressing Place, Eurobin debris flow, Porepunkah landfill remediation works and earthworks for rural roads drainage. Without these two factors Council would have derived an adjusted underlying surplus rather than a deficit.
Working Capital* Current assets compared to current liabilities [Current assets / Current liabilities] x100	289%	231.36%	Decrease due to Council paying out its borrowings in 2016 (\$1 million) and receiving \$1.7 million of its 2016 Financial Assistance Grants in the prior year.
Indebtedness* Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	26.00%	22.82%	Council repaid all its borrowings in full in July 2015 due to having strong cash reserves.

Indicator	Results 2014/15	Results 2015/16	Comments
Workforce* Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	23.0%	5.8%	The resignations have dropped from 2015 due to Council completing its HR Review in 2015. In 2016/17 there is a forecast increase due to the recommissioning of the Home and Community Care services to another provider by the Department of Health.

* More detailed results, forecasts and comments can be found in the Performance Statement found on page 113

** Results for the Council Plan Strategic Indicator "Percentage of Council resolutions made at a meeting of Council closed to the public" can be found on page 25 in Theme 1: Inspired Community Leadership.

Strategic Indicators (outside of service performance indicators)

Indicator	Result
Satisfaction with customer service (community satisfaction rating out of 100 for Council's customer service)	2015/16 result: 71 (a 3 point improvement over 2014/15 results)
Implement new Customer Request Management (CRM) system	The Customer Request Management project has been put on hold due to the 'Purchase to Pay' project now taking priority.

Governance Report

Council Report

Council's role

Council's role, functions and powers are governed by the *Local Government Act 1989* (the Act), which sets out the legislative framework under which all councils in Victoria must operate.

Councillors

The Alpine Shire Council comprises seven elected members in an un-subdivided Shire. Council elections occurred on 27 October 2012, appointing Councillors for a four-year term.

The Act requires each council to elect a mayor, and must determine whether to elect them for a term of one or two years. The mayor takes precedence at all municipal proceedings, and must chair all council meetings at which they are present. If they are absent or unable to act, they must appoint a councillor to be acting mayor.

On 10 November 2015, Council resolved to appoint both the mayor and deputy mayor to a one year term, and to appoint the deputy mayor as acting mayor in accordance with section 73(3) of the Act. Councillor Ron Janas was subsequently elected as Mayor, with Cr Tony Keeble elected as Deputy Mayor.

Councillor Code of Conduct

Council is committed to working together in an ethical and accountable manner to provide leadership and good governance of the Alpine Shire.

The Councillor Code of Conduct provides the necessary framework within which the Council will operate. It assists councillors in understanding their role, their legislative obligations and the values and behaviours by which they will operate.

The Act required all councils in Victoria to review and approve its Councillor Code of Conduct within 12 months of the general election. This was adopted on 2 September 2013, with further amendments adopted on 3 June 2014.

The Act also required Councils to review the Code of Conduct during 2016, and include provisions for an internal resolution procedure of Council. The updated Code of Conduct was adopted at a special council meeting held on 28 June 2016, and signed by all Councillors within one month of adoption.

Council decision making

Decisions by a council are made in one of two ways:

- At ordinary and special meetings of council by resolution; or
- Under delegated authority by council officers

A 'decision of council' (resolution) can only be made in the formal setting of an ordinary or special council meeting. Decisions are made by majority voting. As an individual, neither the mayor nor councillors have the authority to act or make decisions on behalf of the council or its staff.

Prior to a council meeting, an agenda is prepared by council officers, containing the items that require either a council decision (such as a planning application), or items required to be brought before council (such as the minutes of a council committee, or the council's annual report).

The majority of decisions, particularly those of an operational nature, are made under delegated authority from the council, either directly to officers or through the CEO. See 'delegated authority' on page 43 for more details.

Council meetings

During 2015/16, Council met on the first Tuesday of each month. The exceptions to this were in January where no meeting was scheduled due to the Christmas holiday period, and in November, when the meeting was held on the second Tuesday of the month, due to the Melbourne Cup Day public holiday.

All council meetings are held in the council chambers located in Bright. Special meetings of council are held as required, and are generally held at the Bright Council Chambers, unless they are regarding a particular issue in another part of the Shire.

Council agendas are published on Council's website on the Friday prior to the council meeting. During 2015/16 a public question time was held at the beginning of each council meeting.

Councillor briefing sessions are held to give councillors the opportunity to meet with management to keep up to date with issues as they arise. No formal decisions of council may be made at these meetings, they are informative only. Each is considered an 'assembly of councillors', with an appropriate report presented at each monthly council meeting.

Table 5: Council meeting attendance 2015/16

Councillor	Ordinary Council	Special Council
Cr Farrell	11	3
Cr Forsyth	9	0
Cr Janas	11	3
Cr Keeble	10	3
Cr Pearce	11	0
Cr Roper	8	2
Cr Vonarx	10	3
Total meetings	11	3

Councillor allowances

In accordance with Section 74(1) of the Act, mayoral and councillor allowances were reviewed in June 2013, and set at the maximum amount specified for category 1 councils. Included in the allowance review was the capacity to increase the set allowances by any annual adjustment factor specified by the Minister for Local Government and to pay the equivalent of the superannuation guarantee contribution in addition to the set allowances.

The Minister for Local Government announced an adjustment factor of 2.5% applying to mayoral and councillor allowances, effective on 1 December 2015, bringing allowances for category 1 councils to:

Mayor: \$57,812 per annum

Councillors: \$19,350 per annum

The amount equivalent to the superannuation guarantee payable during 2015/16 was 9.5%.

The Councillor Reimbursement of Expenses policy (no. 76) sets out the electronic equipment that will be provided to councillors, as well as the types of approved expenses that will be reimbursed under the policy. Expenses can only be reimbursed if the expense was incurred while performing duties as a Councillor or committee member and fulfils the requirements as described in the Alpine Shire Council Policy.

In accordance with r14(2)(db) of the *Local Government (Planning and Reporting) Regulations 2014*, the following table presents the required expense declarations for each Councillor:

Table 6: Councillor & committee member expenses 2015/16**

Councillor	TR* \$	CM+ \$	CC \$	ICT \$	C&T \$	Total \$
Cr Farrell	611	-	0	990	1,134	2,736
Cr Forsyth	0	-	0	810	0	810
Cr Janas	1,271	8,140°	0	810	1,370	11,591
Cr Keeble	0	-	0	810	0	810
Cr Pearce	496	-	0	540	1,125	2,161
Cr Roper	0	1,011	0	540	0	1,551
Cr Vonarx	3,327	4,632°	0	810	933	9,702

Legend: TR-Travel CM-Car Mileage CC-Child Care ICT-Information and Communication Technology expenses C&T-Conferences and Training expenses

* Travel includes transport, accommodation and meal costs associated with conferences and training, but does not include civic event costs.

+ Council operates on a centralised approach to accounting for transactions such as pool car use. Cents per kilometre for pool vehicle use will be tracked in 2016/17; however this data is not available for the 2015/16 financial year.

° Mayoral vehicle costs apportioned based on value of vehicle available for full private use during the relevant term of the Mayor (in accordance with policies 75 & 76).

** Audit committee members were paid sitting fees (allowances), but no other expenses were incurred.

Mayoral and councillor vehicles

Council provides the Mayor with a fully maintained vehicle in accordance with the Mayoral and Councillors Vehicle Policy (no. 75). Councillors are also able to utilise vehicles to attend to council business in accordance with the policy.

Councillor committees

Councillors were appointed to individual committees in December 2015. Councillors report their attendance at committee meetings via the “report by delegate” agenda items at each council meeting.

Table 7: Councillor portfolios in 2015/16 – at 1 December 2015

Committee name	Appointed by Council (C) or by others (O)	Representative 2016
<i>Advisory Committees to Council</i>		
Audit Committee	C	Crs Roper & Keeble
Finance Committee	C	Crs Roper & Keeble
Alpine Shire Youth Council	C	Cr Forsyth
Municipal Emergency Management Planning Committee	C	Cr Janas
<i>Project and Working Groups of Council</i>		
Community Resilience Committee	C	Cr Janas
Statutory Entities		
High Country Library Corporation	C	Cr Vonarx
Municipal Association of Victoria	C	Mayor & Deputy
North East Waste and Resource Recovery Group Forum	C	Cr Ron Janas
<i>Incorporated Associations</i>		
Alpine Children's Services Inc.	C	Cr Keeble
National Timber Councils Association	O	Cr Jan Vonarx
North East Local Learning and Employment Network Inc.	O	Cr Tony Keeble
North East Multicultural Association Inc.	C	Cr Farrell
Timber Towns Victoria Inc.	O	Cr Jan Vonarx
<i>External Advisory and Advocacy Groups</i>		
Alpine@Home Community Care Services	C	Cr Farrell
Hume Region Local Government Network	C	Mayor and Deputy
MAV Emergency Management Planning Committee	O	Cr Ron Janas
Murray to the Mountains Rail Trail Committee	C	Cr Pearce
Rural Councils Victoria	O	Cr Jan Vonarx

Delegated authority

The Act and numerous other pieces of legislation confer specific powers, duties and functions on a council.

An instrument of delegation under section 98(1) of the Act provides the CEO with the necessary authority to perform the duties of the position. Depending on the piece of legislation, Council can also delegate powers, duties and functions directly to staff, and in many cases, the CEO can further sub-delegate his powers, duties and functions to staff. This is to ensure that Council can operate smoothly, without all decisions requiring a council resolution.

Council is required to review the delegations provided to the CEO and council staff within 12 months of the election. In line with this requirement, delegations were reviewed in September and December 2013. Further reviews occurred in March 2015 and July 2015.

Council delegates powers, duties and functions to staff, and appoints authorised officers under various Acts. All delegations and authorisations are reviewed regularly throughout the year in line with staff changes, and with the twice-yearly release of new templates to reflect legislative changes.

Audit Committee

Council's Audit Committee is an advisory committee of Council formed in accordance with section 139 of the Act. The audit committee oversees and monitors Council's audit processes and internal control activities.

The key objective of the audit committee is to assist Council in the governance of and exercising of due care, diligence and skill in relation to:

- financial and performance management and reporting;
- internal control systems;
- risk management;
- policies and practices; and
- compliance with relevant laws and regulations.

The Audit Committee charter requires that the committee consist of a minimum of five members, the majority of whom must be independent members. In 2015/16, the committee consisted of two councillors and four independent members from the community:

Councillor Representatives

- Cr Peter Roper
- Cr Tony Keeble (December 2015 – June 2016)
- Cr John Forsyth (July 2015 – December 2015)

Independent Representatives

- Ms Sue Lebish – appointed May 2015
- Mr Mark Anderson – appointed May 2015
- Ms Jane Shepherd – appointed April 2016
- Ms Sinead Ryan – appointed April 2016

Members retiring during 2015/16

- Mr John Kantor (Chairman) – appointed March 2013 for this term and originally appointed in 1999.
- Ms Narda Cain – appointed March 2013

Table 8: Audit and Finance Committee meeting attendance 2015/16

Member	Audit Committee	Finance Committee
Cr Peter Roper*	2	3
Cr John Forsyth*	2	2
Cr Tony Keeble*	1	1
Ms Narda Cain	3	-
Mr John Kantor	2	-
Ms Sinead Ryan	**	-
Ms Jane Shepherd	**	-
Ms Sue Lebish	3	-
Mr Mark Anderson	2	-
Total meetings	3	3

* Crs Roper and Forsyth were Council's nominated representatives on the Finance and Audit Committees from July – December 2015. Crs Roper and Keeble were the nominated representatives from December 2015 to June 2016.

** The first meeting for Audit Committee members appointed in 2015 was in July 2016 (and not in the 2015/16 reporting period).

The Audit Committee met three times during 2015/16. Council staff and executive regularly attend the meetings to present key issues and reports. Recommendations from each Audit Committee meeting are subsequently reported to and considered by Council.

Key areas of focus for during the year were:

- Internal audits
- Strategic risk assessment
- Quarterly finance report
- Quarterly health and safety reports
- Quarterly invoice audits
- Occupational health and safety culture survey
- IT disaster recovery testing

The Audit Committee is further complimented by both internal and external auditors. Council's internal auditors undertake an audit program that ensures that internal processes and controls are in place. This is accompanied by a risk framework which assures uncertainty does not deflect business function.

Two internal audits were conducted during 2015/16. The first was undertaken to audit Council's OH&S systems. The second was undertaken to audit Council's Dinner Plain operations.

Council's external auditors undertake the annual audit of Council's Financial Statement and Performance Statement, on behalf of the Victorian Auditor General's Office.

Special and Advisory committees of Council

Council has two committees of management under the provisions of section 86 of the *Local Government Act 1989* that assist with the supervision and administration of the Bright Senior Citizens' Centre, and the Murray to the Mountains Rail Trail.

The Murray to the Mountains Rail Trail committee is currently under review, and its delegation is due to be revoked in July 2016, with management of the portion of the Rail Trail within the Alpine Shire to be brought in-house, and managed by Council staff.

Council also works with advisory committees. Some of these are committees within the organisation. Others provide advice to Council regarding the operations and management of Council assets.

Organisational committees

Audit Committee - see previous page.

Finance Committee - provides oversight of Council's financial performance and management. The Finance Committee met three times in 2015/16 to review the quarterly financial report which compares Council's actual performance against the budget. The Finance Committee also reviews cash management techniques (including investments and borrowings) and reviews Councils accounting policies. Following each meeting the Finance Committee provides a recommendation to Council.

Asset-based committees (community representatives)

Dinner Plain Advisory Committee

Bright Pioneer Park Recreation Reserve Committee

All of Council's committees meet regularly throughout the year and Committee members bring issues to the meetings on behalf of community members.

Citizenship Ceremonies

Under the Australian *Citizenship Act 2007*, Council has the role of performing citizenship ceremonies on behalf of the Department of Immigration and Citizenship for candidates who are resident in the Alpine Shire. The Pledge of Commitment made at the citizenship ceremony is the final legal requirement to becoming an Australian citizen.

The Alpine Shire Council places great importance on Australian citizenship, with the Mayor presiding over the ceremonies. Ceremonies are held as required prior to the commencement of Council meetings. If required, there is also a special citizenship ceremony held at Australia Day ceremonies.

During 2015/16, citizenship ceremonies were held for fifteen people in the Alpine Shire.

Risk Management

Council is committed to reducing its exposure to financial, strategic and operational risk. As part of this commitment, Council:

- Continued implementation of the agreed recommendations of its internal risk assessment review;
- Commenced implementation of the recommendations of its internal audit on project management;
- Implemented regular auditing of purchasing and payment processes; and
- Updated its IT Disaster Recovery Plan.

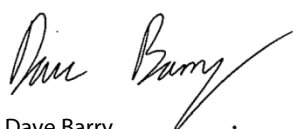
Governance and Management Checklist

Governance and Management Items	Assessment	
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation Communication and Consultation policy adopted: 04/04/2006 Release of Information to the Public Domain policy adopted: 11/02/2013	☑
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	No guidelines Reason for no guidelines: Council utilises a range of tools to assist staff in determining when to engage with the community. A specific engagement plan is developed for each new capital project.	☒
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 28/06/2016	☑
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 28/06/2016	☑
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: Asset Management Plans: Part A (General information) was adopted 03/11/2010 by the CEO. The remainder of the asset management plans exist in draft form. These will be completed and formally adopted in 2016/17: Part B - Roads (draft) Part C - Bridges and Major Culverts (draft) Part D - Buildings and other built structures (draft) Part E - Pathways (draft) Part F - Drainage (draft) Part G - Recreation (draft) Part H - Open Space (draft)	☑
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 28/06/2016	☑
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 6/02/2007	☑
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 6/08/2013	☑
9 Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: Council's Municipal Emergency Management Plan was endorsed by Council on 10/11/2015. A successful audit was completed on 27/11/2015. The next audit will be conducted during 2018.	☑

Governance and Management Items	Assessment	
10 Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section of the <i>Local Government Act 1989</i> Date of approval: 7/06/2016	<input checked="" type="checkbox"/>
11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan: 11/12/2009	<input checked="" type="checkbox"/>
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan: 30/07/2015	<input checked="" type="checkbox"/>
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 6/02/2007	<input checked="" type="checkbox"/>
14 Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: Council's audit committee was established by Instrument of Delegation on 26/10/2004. The audit committee's charter was last adopted on 07/04/2015.	<input checked="" type="checkbox"/>
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement of current provider: Council undertook two internal audits during 2015/16. The first was in October 2015, to audit Council's OHS systems. The second was in April 2016, to audit Council's Dinner Plain operations.	<input checked="" type="checkbox"/>
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1/07/2014	<input checked="" type="checkbox"/>
17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of report: Quarterly Council Plan reports were presented at the following Council meetings: Q4: 06/10/2015 (as part of annual report) Q1: 10/11/2015 Q2: 02/02/2016 Q3: 03/05/2016	<input checked="" type="checkbox"/>
18 Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Dates statements presented: Quarterly finance reports were presented at the following Council meetings: Q4: 01/09/2015 Q1: 10/11/2015 Q2: 01/03/2016 Q3: 07/06/2016	<input checked="" type="checkbox"/>
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: Quarterly risk reporting was presented to Council's audit committee on the following dates: 01/09/2015, 01/12/2015, 23/02/2016 and 24/05/2016.	<input checked="" type="checkbox"/>

Governance and Management Items	Assessment
20 Performance reporting (six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Reports <input checked="" type="checkbox"/> Date of reports: Quarterly progress reports against the indicators contained in the Council Plan were presented at the following Council meetings: Q4: 06/10/2015 (as part of annual report) Q1: 10/11/2015 Q2: 02/02/2016 Q3: 03/05/2016
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at meeting of the Council in accordance with section 134 of the Act <input checked="" type="checkbox"/> Date of consideration: 6/10/2015
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act <input checked="" type="checkbox"/> Date reviewed: 28/06/2016
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act <input checked="" type="checkbox"/> Date of review: Council reviewed all staff delegations following the last general election on 15/02/2013 and 01/10/2013. Further reviews were conducted on 03/03/2015 and 04/03/2015.
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act <input checked="" type="checkbox"/> Date local law made: 4/10/2005

I certify that this information presents fairly the status of Council's governance and management arrangements.



Dave Barry
Chief Executive Officer
Date: 27 September 2016



Cr Ron Janas
Mayor
Date: 27 September 2016

Statutory Information Report

Best Value Program

Council must give effect to the best value principles, as defined in the *Local Government Act 1989*. During 2015/16 Council has undertaken a number of projects and reviews seeking to apply the best value principles to its services, including:

Project and service planning, and human resources

Council initiated the Strategic Alignment Project (SAP) in 2013/14 to introduce a consistent, organisation-wide approach to agree on clear priorities for services and projects, the human resources required to deliver those priorities, and how these will be monitored and reported on.

2015/16 saw the information captured as part of the SAP transferred into the Projects Pipeline, which utilises the performance management software developed by Council (Spark), to further develop project milestones and performance indicators, guiding Council's provision of best value services into the future.

As a continuation of the transformation journey within the organisation, the number of directorates was reviewed during 2015/16. This followed the exhaustive human resources review that resulted in a reduction in staffing in Council's Bright office from 80FTE to 59FTE during 2014/15, and is a continuation of the response to external financial constraints. The review explored several options, with a final recommendation that Council move to a two directorate model in 2016/17.

Projects Pipeline

The Projects Pipeline has collated all projects identified in Council's strategic documents as well as additional projects identified within the community that may add value or improve the liveability within the Alpine Shire. The projects within the Pipeline are prioritised by Council with consideration of benefit to the community, cost, Council's capacity to deliver and synergy with other projects. This allows projects to be identified for future years.

The Pipeline will be continually monitored with new projects added as identified; and projects prioritised by Council annually. As a living database the Projects Pipeline, allows Council to maintain a strategic approach and ensure priority projects are delivered.

The Pipeline was used to develop the capital works projects identified as ready for the 2016/17 Budget, and ensured that projects identified were adequately scoped prior to budget allocation, ensuring a high rate of completion of all capital works in a given year.

Long Term Financial Plan

The annual adoption of Council's Long Term Financial Plan ensures that Council has planned for the future – to ensure that it remains financially sustainable, while being able to deliver best value services and projects to its community. The plan is updated annually, and will continue to drive the Strategic Resource Plan, and Council's annual Budget process.

Service improvements through technology

Council continues to pursue both in-house developed software solutions, as well as other best practice software for ensuring efficiencies in conducting Council's business. Examples include point of sale software in pools, Visitor Information Centres and transfer stations, development of inspection apps for Council's asset management and fire inspections and updated software solutions for Environmental Health and Maternal and Child Health.

Documents Available for Public Inspection

In accordance with the *Local Government Act 1989* and regulation 12 of the *Local Government (General) Regulations 2015*, the following documents and information are available for public inspection on request at the Alpine Shire Council Office, Great Alpine Road, Bright:

- a) a document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months;
- b) the agendas for, and minutes of, ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- c) the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- d) a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act;

- e) a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease;
- f) a register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
- g) a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

Contracts

During the year council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works or more of a kind specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

Freedom of Information

Freedom of Information (FoI) legislation ensures public accountability at all levels of government in Australia.

The *Freedom of Information Act 1982* gives the public a legal right to see certain council documents created after 1 January 1989 and also any personal documents relating to individuals (regardless of how long they have been held).

How do I make a request?

An application under the *Freedom of Information Act 1982* can be made by forwarding the following:

- The request must be made in writing, providing sufficient information to enable the documents to be identified, and where possible, include the approximate date range of the documents requested.
- Applications must be accompanied with the prescribed fee.

Forward your request to:

Freedom of Information officer
Alpine Shire Council
PO Box 139
BRIGHT 3741

In accordance with legislation, Council will respond to your request within 45 days. Search and access charges allowable under the Act may apply to your request.

For further information, contact Council's Freedom of Information officer on 03 5755 0555 or email info@alpineshire.vic.gov.au.

Information Privacy

The primary legislative obligations applying to Council's treatment of personal and health information are contained in the Victorian Government's *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*.

The legislation prescribes a number of Information Privacy Principles that the Council is required to comply with to promote and ensure the fair and responsible collection and handling of personal and health information.

Council will continue to comply with the privacy principles contained in the Act.

More privacy information can be obtained from Council's website: www.alpineshire.vic.gov.au.

Protected Disclosures Act

The *Protected Disclosure Act 2012* came into operation on 10 February 2013, replacing the *Whistleblowers Protection Act 2001*. The purpose of the Protected Disclosure Act is to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action.

Council fully supports the Act, having a high regard for transparency and accountability.

In accordance with Section 70 of the Protected Disclosure Act, the following information is provided:

- a) Information about how to access the Protected Disclosure Procedures document

The procedures are available in hard copy at the Council offices or by request and electronically via the Council website and staff intranet.

- b) The number of disclosures made to Council and notified to the IBAC for assessment

There were no disclosures made to Council during the period of 1 July 2015 to 30 June 2016.

Road Management Act 2004

Council, as a road authority, is required under section 22 of the *Road Management Act 2004* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2015/16.

Food Act 1984

Council is required under section 7E of the *Food Act 1984* to publish a copy of any direction received from the Minister in its annual report. No directions were received from the Minister in 2015/16.

Domestic Animals Act 1994

Pursuant to the *Domestic Animals Act 1994*, Council must prepare a Domestic Animal Management Plan (DAMP) every four years, review the plan annually, and publish an evaluation of its implementation of the plan in its annual report.

The DAMP 2013-2017 sets out how Council manages its responsibilities under the *Domestic Animals Act 1994* and delivers services to enhance and promote responsible pet ownership in the community.

Council's DAMP was formally adopted by Council on 3 December 2013. Key actions in the DAMP 2013-2017 were developed with input from staff and key stakeholders such as the RSPCA, customer request data, and service delivery statistics. They include:

- Educating the community on the benefits and requirements of registering dogs and cats;
- Reducing the number of feral cats;
- Reducing the incidence of dogs and cats wandering at large; and
- Reducing the incidence of dog attacks.

No changes have been made to any of Council's Local Laws regarding domestic animals since the establishment of the plan.

All outcomes from the DAMP were met in 2015/16. The document will be reviewed again in late 2016.

Carers Recognition Act 2012

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*.

Council has promoted the principles of the Act to people in care relationships who receive council services; to people in care relationships, and to the wider community by:

- Displaying the posters in the Community Health office in Bright
- Providing information to clients and carers through client information packs
- Aligning requirements with Alpine Health policies and procedures

Council has taken all practicable measures to ensure staff, council agents and volunteers working for council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Providing training to care staff on the Carers Recognition Act
- Providing staff with the Carers Recognition Act Fact Sheet

Disability Act 2006

Alpine Shire Council is committed to supporting the rights of people with a disability to achieve full participation in community life.

As required under section 38 of the *Disability Act 2006*, Alpine Shire Council prepared a Disability Action Plan (DAP). The document was prepared jointly with Alpine Health, and is referred to as: Alpine Shire Council & Alpine Health 2011 Disability Action Plan.

Council appointed a Rural Access Officer in September 2013, and developed the Alpine Shire Rural Access (Disability) Action Plan for 2013-2015. This plan reflects many of the actions identified in the DAP.

The Rural Access (Disability) Directions Report continued to be implemented in 2015/16:

- Further print and distribution of Mobility Guide for the Alpine Shire.
- Planning underway for introduction of the Recharge Scheme.
- Respond to concerns raised by people with a disability and/or their carers.
- Liaison with disability advocates and groups continues.
- Community mapping ongoing.
- All events held during the 2015 Seniors Festival held at accessible venues.
- Continue liaison with Mount Beauty VIC and Parks Victoria regarding the All-Terrain Wheelchair (A-TW). Arrange annual servicing of A-TW.
- Extend understanding of community service providers.
- Participate in Rural Access Workers' network.
- Provision of information and support to colleagues as requested.
- Annual Directions Report and Outcomes reports prepared and submitted to DHHS as required under funding arrangement.

Local Laws

Council has seven Local Laws. Copies of these are available from the Council Offices in Bright and on the Alpine Shire Council website.

1. Council Administration	Deals with use of the Common Seal; Election of Mayor, Council Meeting Procedures.
2. Municipal Places	Deals with behaviour in Municipal Places, Liquor Consumption Control.
3. Dinner Plain	Deals with the regulation and control of activities at Dinner Plain.
4. Livestock	Deals with the regulation and control of livestock on roads in the Municipality.
5. Amenity	Deals with the regulation and control of activities which may be dangerous or unsafe or detrimental to the quality of life and environment.
6. Streets and Roads	Deals with the regulation and control of issues such as management of roads for traffic, control of vehicles and animals on roads, secondary activities on roads, including advertising signs, trading from a road or reserve, outdoor eating facilities and busking.
7. Murray to the Mountains Rail Trail	Deals with the regulation and control of activity on and access to the Murray to the Mountains Rail Trail

On 20 June 2013, Council formally gazetted a provision under section 224A of the *Local Government Act 1989* to allow Victorian Police to act as authorised officers to enforce 'Part 3: Consumption of alcoholic beverages', and 'Part 5: Enforcement' of the Alpine Shire Council Local Law No. 2 – Municipal Places (2012), where they relate to the use, possession or consumption of alcohol.

In February 2015, Council resolved to prepare an amendment to Part 3 of Local Law number 2 - Municipal Places (2012), providing increased restrictions on the consumption of alcoholic beverages in the Bright CBD over each day of the weekend of the Bright Iconic Rod Run. Public consultation was conducted, and the amendment was approved at the September 2015 Council meeting.

Grants and Funding

Grants awarded by Council

Just as important as the funding that Council receives, is the support that it provides to the community. Council has a long history of supporting community groups to run events, programs and projects. These are in the form of festival and event funding, and also in the form of community grants.

Community grants funding

Council's Community Grants program is a long established funding scheme to assist community groups and organisations to provide programs and projects that benefit the community, including environmental, economic, social, recreational and wellbeing benefits. Community support and the ongoing maintenance and sustainability of the projects are also considered.

Twenty-nine applications were received for 2015/16, with 26 being successful. A total budget of \$80,000 was available for distribution through the community grants program.

Table 9: Community Grants awarded by Council in December 2015

Applicant	Project	Sponsorship funds awarded by Council	Total project cost
Alpine Anglican Parish	All Saints' Anglican Church Hall Renovation	\$ 5,000	\$26,148
Alpine Cycling Club	Trail Works Trailer	\$ 1,965	\$ 3,521
Alpine Shire Heritage Network Sub-committee	Alpine Shire Heritage Trail	\$5,500	\$ 7,260
Alpine U3A	International Women's Day 2016	\$ 1,264	\$ 5,964
Birkebeiner Nordic Ski Club	Purchase of a Dedicated (RR) Video Camera	\$ 1,379	\$ 1,839
Bright and District Pony Club	Burning BBQ (and Marquee Tent)	\$ 448	\$ 598
Bright Community Garden	Bright Community Garden	\$ 5,000	\$ 36,850
Bright Croquet Club	Connect Electricity to Clubhouse	\$ 3,832	\$ 5,110
Bright Toy Library	IT Renewal at the Bright Toy Library	\$ 755	\$ 1,807
Friends of Germantown Streamside Reserve/UOVLG	Germantown Reserve Picnic Ground	\$ 1,634	\$ 2,454
Happy Valley Tree Garden	Happy Valley Tree Garden Rock Art Feature	\$ 2,400	\$ 13,475
Kiewa valley Historical Society Inc.	Storage Unit Project	\$ 1,970	\$ 2,970
Mount Beauty and District Men's Shed Inc.	Air-conditioner and Exterior and Internal Blinds for Kitchen and Recreational Area.	\$ 3,417	\$ 4,556
Mount Beauty Tennis Club	Upgrade of Kitchen	\$ 4,500	\$ 6,000
Mount Beauty Toy Library Inc.	Strengthening Families by Learning Through Play	\$ 1,500	\$ 2,210
Mountain View Children's Centre	Water Splash Learn Stage 3	\$ 6,850	\$ 10,250
Myrtleford and District Historical Society Inc.	Concrete Plinths for Outdoor Displays and Associated Works	\$ 1,428	\$ 2,083
Myrtleford Chamber of Commerce and Industry Inc	Queen Street Power Distribution Boards	\$ 2,815	\$ 3,765
Myrtleford Lawn Tennis Club Inc.	Replacement of Existing Clubhouse Roof	\$12,500	\$ 26,010
Neighbourhood Watch- Dederang and District Branch	Community Movie Night	\$ 1,500	\$ 4,080
Neighbourhood Watch- Dederang and District Branch	Upgrade Photocopier (for the Dederang Voice)	\$ 4,000	\$ 5,775
Ovens Valley United Cricket Club	Replace Carpet on Wickets at Memorial Oval and Gapsted Cricket Ground	\$ 4,200	\$ 8,800
Sing Australia Bright	Public Performances of Sing Australia Bright	\$ 1,559	\$2,279
Tawonga Rural Fire Brigade	Chest freezer Upgrade	\$ 499	\$ 669
Upper Kiewa Valley Community Association	Bright and Surrounds Walks and Trail Signage – Mount Beauty	\$ 2,197	\$ 2,696
Wildlife Shelter – Kathy Silvestri	Construction of Mobile Bird Cage / Small Animal Enclosure	\$ 1,021	\$ 2,802
Total		\$ 79,133	\$189,971

Tourism festival and event funding:

Events are vitally important to the economic wellbeing of the Alpine Shire. It is estimated that festivals and events attract over 90,000 visitors directly and provide benefit to a wide range of businesses. Council provides support in two direct forms – logistics and funding. Council also provides assistance to event organisers with their planning and preparation.

Funding and logistics support is available to organisations staging events that have the potential to make demonstrable impact on the level of tourism in “Bright and surrounds” and which complement and achieve the objectives of Council’s tourism development strategies.

Applications were assessed against the following criteria:

- Alignment with the Alpine Shire Council Tourism Development strategies;
- Alignment with township brands;
- Level to which the event will attract outside visitors (intrastate and interstate);
- Future growth and sustainability of the event;
- Value added to the existing calendar of events;
- Offer a significant economic benefit to the wider Alpine Shire community;
- Marketing / promotional strategies – how they complement Alpine Shire Council;
- Organisational capacity of the event and its managing participants; and
- Potential for the event to develop into a key tourism or visitor attraction in the foreseeable future.

Fifty two applications were received through the 2015/16 Tourism Festival and Event funding program. Six submissions were ineligible for funding as they were either: applications for events not within the Alpine Shire; insufficient documentation or information provided at submission; or the event did not fit within the event funding guidelines and/or with Councils tourism strategic direction.

The 2015/16 Festival and Events budget had provision for \$100,000 financial support (including a commitment of \$50,000 for the Australian Mountain Bike National Championship) and \$115,000 logistic support. Funding as recommended by the funding assessment panel was endorsed by Council at the August 2015 council meeting. Funds not specifically allocated below were used to provide logistics support to other events held within the Shire. Three additional events were awarded funding at the December 2015 council meeting from funds that had been set aside for Event Attraction.

Table 10: Tourism festival and event grants awarded by Council in August 2015 and December 2015

Event	Applicant	Sponsorship funds	Maximum logistics support
<i>Funding awarded August 2015:</i>			
Adventure Travel Film Festival	Adventure Travel Film Festival Australia	\$2,250	\$700
Alfred 6 Hour	Alpine Cycling Club	\$1,000	\$250
Alpine Challenge	Running Wild	\$1,000	
Alpine Country Fair	Bright P-12 College Parents & Friends Group	\$500	
Audax Alpine Classic and Bonjour Bright Festival	Audax Australia	\$4,000	\$2,500
Barrowthon	Beechworth Barrowthon Inc.		\$2,000
Bright Autumn Festival	Bright Autumn Festival Committee	\$1,000	\$7,000
Bright Body & Soul Expo	Jenny Chalwell & Ros Holland	\$1,000	
Bright Fly Fishing Opening Weekend	Southern Fly Fishing Adventures	\$1,000	
Bright Fun Run	Bright P-12 College		\$2,500
Bright Markets - Make It Bake It Grow It	Bright & District Chamber of Commerce		\$500
Bright Rotary Markets	Rotary Club of Bright		\$4,000
Bright Spring Festival Grand Fireworks Spectacular and Entertainment	Bright Spring Festival Committee	\$750	\$500
Brighter Days	Brighter Days Foundation	\$3,000	\$2,000
Bright's Iconic Rod Run	Bright Rod & Kustom Club Inc.	\$5,000	\$12,000
Community Garden Film Night	Bright Community Garden		\$150
Cycling Australia Junior Mountain Climb Championships (Alpe d'Buffalo)	Alpine Cycling Club		\$600
Dederang Picnic Race Day	Dederang Picnic Race Club Inc.	\$2,000	\$500
Gravity 12 Hour	Gruppo Sportivo International		\$1,000
Harrierville Half Marathon	Harrierville Primary School	\$2,000	\$1,000
Harvest N Graze	Harvest N Graze Pty Ltd	\$3,500	\$1,500
Kangaroo Hoppet	Kangaroo Hoppet Inc.	\$4,000	
La Fiera Italian Festival	Myrtleford Chamber of Commerce & Industry Inc.	\$4,000	\$1,000
Mount Beauty Half Marathon	Mount Beauty Half Marathon Committee	\$1,000	\$700
Mount Beauty Music Festival	Mount Beauty Music Muster Inc.	\$1,000	\$1,500
MountainGrass	Australasian Bluegrass and Old Time Music Association	\$2,000	
Music and Entertainment in the Park	Rotary Club of Bright	\$500	\$500
Myrtleford and District Agricultural & Pastoral Show	Myrtleford and District Agricultural & Pastoral Society	\$800	
Myrtleford Bush Market	Myrtleford Chamber of Commerce & Industry Inc.	\$500	\$1,000
Myrtleford Cotters Market	The Myrtleford Festival Association Inc.		\$500
The Myrtleford Festival	The Myrtleford Festival Association Inc.		\$3,500
Myrtleford Fun Run	Marian College		\$3,000
Myrtleford Golden Spurs Rodeo	Lions Club of Myrtleford Inc.		\$2,000
Myrtleford Lawn Tennis Club Easter Tournament	Myrtleford Lawn Tennis Club	\$500	\$500
Ovens Valley Canine Club Championship Show	Ovens Valley Canine Club		\$800
Reel Rock 10 Film Tour	Hand Cut Productions	\$850	\$150
Swagger Music Festival	Swagger Music Festival	\$3,500	\$1,500
Sweet Valley Sounds	Sweet Valley Sounds Inc.	\$500	\$1,500
Thule B24 MTB Race	B.A.S.E.	\$1,000	\$2,000
Tour Fondo	B.A.S.E.	\$500	
Tour of Bright (Champion System)	Alpine Cycling Club		\$10,000
Victorian Veteran Golfers Association State Men's Championships	Myrtleford Golf Club	\$1,000	
Wandiligong Nut Festival	Sub-committee of Bright & District Chamber of Commerce	\$500	\$500
<i>Additional funding awarded December 2015:</i>			
Cloud 9 cinema	Community Outdoor Cinema Christmas Concert	\$750	\$500
4WD Victoria	Beyond the Buckland 4WD event		\$1,000
Mount Beauty Music Festival	Mount Beauty Music Festival		\$3,000
Total		\$50,950	\$73,850

Dinner Plain festival and event funding

Events at Dinner Plain are extremely important for the economy of Dinner Plain. A total of seven events were funded through the Dinner Plain event funding program for 2015/2016. Funding applications were assessed in the same manner as the Tourism Festival and Event funding, with funding support available to organisations staging events that have the potential to make demonstrable impact on the level of tourism in Dinner Plain and which complement and achieve the objectives of both of

Council's tourism development strategies for "Bright and surrounds" and Dinner Plain, as well as the regional brand.

An amount of \$60,000 was budgeted for the delivery of 2015/2016 tourism festival and events for Dinner Plain. It should be noted that several of the events that were awarded funding in October 2015 did not eventuate, and funding was therefore not provided. These events are not listed here, as they did not receive funds from Council.

Table 11: Dinner Plain festival and event grants awarded by Council in October 2015 and June 2016

Event	Applicant	Sponsorship Funds
Mile High Trail Run	Running Wild	\$2,500
Easter in Dinner Plain	Council – internally managed	\$5,000
Geebung Polo	Focal Promotions	\$17,000
Dinner Plain Sled Dog Challenge	Altitude 5000 Sled Dog Group	\$6,000*
Dinner Plain 30th Birthday Celebrations	Alpine Shire	\$10,000
Daniher Drive	Charity Motor Vehicle rally	\$6,449
Dinner Plain Road Marathon	Great Alpine Road marathon	\$5,000
Total funding provided for events held during 2015/16		\$51,949

**Applicable to the 2016 event*

Glossary

Act	means the <i>Local Government Act 1989</i>
Alpine Shire	means the geographic region in which the Alpine Shire Council operates.
Alpine Shire Council	means the organisation represented by elected Councillors and Staff.
Annual report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council	is the abbreviation of Alpine Shire Council
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	means the period of 12 months ending on 30 June each year
Indicator	means what will be measured to assess performance
Initiatives	means actions that are one-off in nature and/or lead to improvements in service
Major initiative	means significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget
Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	means the Minister for Local Government
Performance statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Planning and accountability framework	means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	means the Local Government (Planning and Reporting) Regulations 2014
Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategic objectives	means the outcomes a council is seeking to achieve over the next four years and included in the council plan
Strategic resource plan	means a plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan
Strategies	means high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management

Acronyms and Abbreviations

CEO	Chief Executive Officer	LGPRF	Local Government Performance Reporting Framework
CFA	Country Fire Authority	LPPF	Local Planning Policy Framework
CPA	Certified Practising Accountant	MAV	Municipal Association of Victoria
CPR	Cardiopulmonary Resuscitation	MSS	Municipal Strategic Statement
CSS	Community Satisfaction Survey	MTB	Mountain Bike
DAMP	Domestic Animal Management Plan	OH&S	Occupational Health and Safety
DELWP	Department of Environment, Land, Water and Planning	RDV	Regional Development Victoria
DHHS	Department of Health and Human Services	RSL	Returned and Service League
EA	Enterprise Agreement	RSPCA	Royal Society for the Prevention of Cruelty to Animals
FOI	Freedom of Information	SAP	Strategic Alignment Project
FTE	Full Time Effective staff	SES	State Emergency Service
HACC	Home and Community Care Services	VCAT	Victorian Civil and Administrative Tribunal
HR	Human Resources	VIC	Visitor Information Centre
LGV	Local Government Victoria		

Understanding the financial report

The Annual Financial Report comprises of audited Financial Statement and Performance Statement. The purpose of the Financial Statement is to provide readers with a detailed report of Council's financial performance (profit or loss), financial position (level of assets against liabilities) and cash flow (increase or decrease in cash held by Council) in accordance with Australian Accounting Standards. The preparation of the Financial Statements is consistent for all Councils across Victoria and also provides a comparison against the previous financial year.

The purpose of the performance statement is to provide readers with an overview of how Council performed against the nominated Service Performance, Sustainable Capacity and Financial Capacity indicators as required by section 131 of the *Local Government Act 1989* and part 4 of the *Local Government (Planning and Reporting) Regulations 2014*. This reporting is consistent for all Councils across Victoria, and provides a comparison against the previous financial year(s) results.

Annual Financial Report

For the year ended 30 June 2016

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Comprehensive Income Statement

For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	16,601	15,876
Statutory fees and fines	4	394	398
User fees	5	1,789	1,706
Grants - Operating	6	3,411	7,235
Grants - Capital	6	2,348	4,024
Contributions - monetary	7	175	332
Contributions - non monetary	7	201	402
Other income	8	1,099	1,019
Share of net profits/(losses) of associates	16	(178)	28
Total income		25,840	31,020
Expenses			
Employee costs	10	(9,797)	(9,693)
Materials and services	11	(10,047)	(9,090)
Bad and doubtful debts	12	(11)	(6)
Depreciation	13	(4,180)	(4,133)
Landfill rehabilitation expense	25	(1,002)	81
Borrowing costs	15	(22)	(58)
Other expenses	14	(711)	(607)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	9	(268)	(287)
Total expenses		(26,038)	(23,793)
Surplus/(deficit) for the year		(198)	7,227
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation (decrement)/increment	28	(407)	7,083
Share of other comprehensive income of associates	16	-	-
Total comprehensive result		(605)	14,310

Balance Sheet

As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	17	2,591	3,858
Other financial assets	18	9,507	10,006
Trade and other receivables	19	1,790	1,304
Inventories	20	45	49
Other assets	21	245	255
Total current assets		14,178	15,472
Non-current assets			
Trade and other receivables	19	5	7
Inventories	20	143	150
Investments in associates	16	362	505
Property, infrastructure, plant and equipment	22	198,271	197,104
Total non-current assets		198,781	197,766
Total assets		212,959	213,238
Liabilities			
Current liabilities			
Trade and other payables	23	1,602	1,808
Trust funds and deposits	24	737	648
Provisions	25	3,759	2,699
Lease income received in advance	26	30	30
Interest-bearing loans and borrowings	27	-	170
Total current liabilities		6,128	5,355
Non-current liabilities			
Provisions	25	3,989	3,631
Lease income received in advance	26	447	477
Interest-bearing loans and borrowings	27	-	775
Total non-current liabilities		4,436	4,883
Total liabilities		10,564	10,238
Net assets		202,395	203,000
Equity			
Accumulated surplus		83,982	84,226
Reserves	28	118,413	118,774
Total equity		202,395	203,000

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2016

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2016					
Balance at the beginning of the financial year		203,000	84,226	116,481	2,293
Surplus/(deficit) for the year		(198)	(198)	-	-
Share of other comprehensive income of associates		-	-	-	-
Net asset revaluation increment/(decrement)	28(a)	(407)	-	(407)	-
Transfers to other reserves	28(b)	-	(746)	-	746
Transfers from other reserves	28(b)	-	700	-	(700)
Balance at the end of the financial year		202,395	83,982	116,074	2,339

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2015					
Balance at the beginning of the financial year		188,690	77,003	109,398	2,289
Surplus/(deficit) for the year		7,227	7,227	-	-
Share of other comprehensive income of associates		-	-	-	-
Net asset revaluation increment/(decrement)	28(a)	7,083	-	7,083	-
Transfers to other reserves	28(b)	-	(469)	-	469
Transfers from other reserves	28(b)	-	465	-	(465)
Balance at the end of the financial year		203,000	84,226	116,481	2,293

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2016

	Notes	2016 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		16,532	15,801
Statutory fees and fines		394	398
User fees		1,843	1,615
Grants - operating		3,411	7,077
Grants - capital		2,059	4,024
Contributions - monetary		193	365
Interest received		396	349
Rent received		408	405
Trust funds and deposits taken		2,739	2,487
Other receipts		58	390
Net GST refund		1,409	1,257
Materials and services		(11,559)	(10,174)
Employee costs		(9,137)	(10,785)
Trust funds and deposits repaid		(2,650)	(2,348)
Other payments		(1,033)	(613)
Net cash provided by operating activities	29	5,063	10,248
Cash flows from investing activities			
Payments for investments		-	(1,106)
Investment in MomentumOne Shared Services Pty Ltd	16	(35)	-
Proceeds from sale of investments		499	-
Payments for property, infrastructure, plant and equipment		(5,855)	(5,903)
Proceeds from sale of property, infrastructure, plant and equipment	9	28	50
Net cash used in investing activities		(5,363)	(6,959)
Cash flows from financing activities			
Finance costs		(22)	(58)
Repayment of borrowings		(945)	(197)
Net cash used in financing activities		(967)	(255)
Net (decrease)/increase in cash and cash equivalents		(1,267)	3,034
Cash and cash equivalents at the beginning of the financial year		3,858	824
Cash and cash equivalents at the end of the financial year	17	2,591	3,858
Financing arrangements	30		
Restrictions on cash assets	17		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Property			
Land		-	-
Total land		-	-
Buildings		1,414	684
Total buildings		1,414	684
Total property		1,414	684
Plant and equipment			
Plant, machinery and equipment		135	303
Fixtures, fittings and furniture		-	30
Computers and telecommunications		50	-
Total plant and equipment		185	333
Infrastructure			
Roads		2,022	2,470
Bridges		828	770
Footpaths and cycleways		374	77
Drainage		84	134
Recreational, leisure and community facilities		499	174
Parks, open space and streetscapes		391	1,255
Total infrastructure		4,198	4,880
Total capital works expenditure		5,797	5,897
Represented by:			
New asset expenditure		720	1,848
Asset renewal expenditure		3,364	2,888
Asset expansion expenditure		-	-
Asset upgrade expenditure		1,713	1,161
Total capital works expenditure		5,797	5,897

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2016

Introduction

The Alpine Shire Council (Council) was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate. The Council's main office is located at Great Alpine Road, Bright Victoria 3741.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Note 1: Significant accounting policies

a) Basis of Accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (j))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (k))
- the determination of employee provisions (refer to note 1 (p))
- the determination of the landfill provision (refer to note 1 (q))

•

b) Changes in accounting policies

There have been no changes in accounting policies from the previous period.

c) Accounting for investments in associates and joint arrangements

Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

d) Revenue recognition

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Rates and charges

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

Statutory fees and fines

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

Grants

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 6. The note also discloses the amount of unused grant

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Significant Accounting Policies (continued)

or contribution from prior years that was expended on Council's operations during the current year.

Contributions

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

Sale of property, infrastructure, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest

Interest is recognised as it is earned.

Dividends

Dividend revenue is recognised when the Council's right to receive payment is established.

Other income

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

e) Fair value measurement

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

g) Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

h) Other financial assets

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

i) Inventories

All inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where Inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Significant Accounting Policies (continued)

j) Recognition and measurement of property, plant and equipment and infrastructure

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits detailed in note 1 k have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at note 22, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from two to three years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that

class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its reports.

k) Depreciation and amortisation of property, plant and equipment and infrastructure

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Significant Accounting Policies (continued)

Class of Asset	Threshold Limit
Land	\$1
Land under roads	\$5,000
Buildings	\$5,000
Roads	\$5,000
Bridges	\$5,000
Drainage	\$5,000
Footpaths and cycleways	\$5,000
Recreational, leisure and community facilities	\$5,000
Parks, open space and streetscapes	\$5,000
Waste management	\$5,000
Plant, machinery and equipment	\$2,000
Fixtures, fittings and furniture	\$2,000
Computers and telecomms	\$2,000

Class of Asset	Period
Buildings	15 to 100 years
Roads	5 to 100 years
Drainage	70 years
Bridges	50 to 100 years
Footpaths and cycleways	22 to 97 years
Recreational, leisure and community facilities	15 to 50 years
Parks, open space and streetscapes	7 to 100 years
Waste management	30 to 70 years
Plant, machinery and equipment	5 to 20 years
Fixtures, fittings and furniture	5 to 20 years
Computers and telecomms	3 to 10 years

l) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

m) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been

impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

n) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to note 24).

o) Borrowings

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

p) Employee costs and benefits

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Significant Accounting Policies (continued)

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at:

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts a voluntary redundancy in exchange for these benefits. Council recognises termination benefits when it demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Classification of employee costs

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a

non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

q) Landfill rehabilitation provision

Council is obligated to restore its landfill sites to a particular standard. The forecast life of the sites is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

r) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a two to five year period.

Operating leases

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Significant Accounting Policies (continued)

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

t) Contingent assets and contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

u) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2016 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

v) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 23 June 2015. The Budget was based on

assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Ref
a) Income and Expenditure				
Income				
Rates and charges	16,434	16,601	167	1
Statutory fees and fines	565	394	(171)	2
User fees	1,584	1,789	205	3
Grants - Operating	4,696	3,411	(1,285)	4
Grants - Capital	1,792	2,348	556	5
Contributions - monetary	137	175	38	6
Contributions - non monetary	103	201	98	7
Share of net profits/(losses) of associates	-	(178)	(178)	8
Other income	773	1,099	326	9
Total income	26,084	25,840	(244)	
Expenses				
Employee costs	(9,650)	(9,797)	(147)	10
Materials and services	(9,565)	(10,047)	(482)	11
Bad and doubtful debts	-	(11)	(11)	
Depreciation	(4,199)	(4,180)	19	
Landfill rehabilitation expense	(195)	(1,002)	(807)	12
Borrowing costs	(27)	(22)	5	
Other expenses	(764)	(711)	53	
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(100)	(268)	(168)	13
Total expenses	(24,500)	(26,038)	(1,538)	
Surplus/(deficit) for the year	1,584	(198)	(1,782)	

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison (continued)

Ref	Item	Explanation
1	Rates and Charges	Council received revenue from supplementary valuations during the year which were in line with previous years. In addition Council conducted a review of the commercial industrial rate to ensure it was being applied consistently across the Shire. This resulted in additional properties meeting the criteria for the differential rate. This was applied from 1 January 2016.
2	Statutory Fees and Fines	The variance is due to the building fees being budgeted in statutory fees and fines instead of user fees. Total building fees were budgeted to be \$187K and actually exceeded budget at \$200K. This also mainly accounts for the variance in user fees.
3	User Fees	The main reason for the variance is due to building fees being budgeted under statutory fees and fines rather than user fees. There were also fluctuations within other business functions including rates, property management, waste and recycling, Visitor Information Centres and emergency management. These fluctuations occurred due to better performance than budgeted and were offset by other functions such as Council's pools. The decrease in user fees in pools was a strategic decision of reducing the family seasons pass to increase the level of usage of the facility.
4	Grants – operating	Council received half of its Financial Assistance Grants from the Victorian Grants Commission in June 2015. This was recognised as income in 2015. The Grants Commission did not make payments in advance this year. This equates to \$1.7 million. This was partly offset by unbudgeted operating grants for storm damage from the Eurobin landslide (\$206K) and the Myrtleford flood mitigation design (\$161K) which was higher than budget due to incorrect forecasting.
5	Grants – capital	Council received additional capital grants this year relating to Roads to Recovery. Council received at total of \$1.5 million and only \$1.1 million was budgeted.
6	Contributions - monetary	Council received additional contributions which were for kerb renewal works (\$50k).
7	Contributions – non monetary	This was received by Council in the form of road and drainage assets associated with a new subdivision, the amount of which was larger than expected in the budget.
8	Share of net profits/(losses) of associates	There was no budget allocated due to the uncertainty surrounding the operations of the High Country Library Corporation at budget development time in March 2015. During the year the High Country Library Corporation has dissolved and libraries have transitioned to Council from 1 August 2016. The loss is attributable to the wind up and payout of redundancy costs. Council also entered into a shared service arrangement with Towong Shire Council in which a company called MomentumOne was set up to provide shared services to

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison (continued)

Ref	Item	Explanation
		Councils. Towong and Alpine are each 50% shareholders in the company which commenced in October 2015. Initially the company was providing labour hire to pools at Towong, Alpine and now Hepburn. The company has also provided technology solutions such as a point of sale system to Council's at an affordable package. In the first year of operation a loss was expected which equated to approximately \$27K.
9	Other income	This is mainly due to Council receiving \$171K from its insurer for damage to the Mount Beauty Library. Also interest on investments was higher than expected due to higher than expected cash balances.
10	Employee Costs	Employee costs are slightly unfavourable to budget. This is due to Council incurring redundancy costs of \$562K for all Home and Community Care (HACC) staff. Council's HACC services were recommissioned to another provider by the Department of Health and this change was effective from 30 June 2016. Without this expense Council's employee budget would have been \$458K favourable.
11	Materials and services	<p>Council had a capital works budget of \$8.7 million of which \$7.4 million was spent. Within the projects residing in the Asset Development area there was \$1.6 million identified as operating expenditure and this has been expensed to materials and services rather than capitalised. Examples of such projects include:</p> <ul style="list-style-type: none"> Flood recovery \$245K – attributed to the mudslide at Eurobin. Mount Beauty Progressing Place – Lakeside \$170K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy. Mount Beauty Progressing Place – CBD \$224K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy. Porepunkah landfill works \$166K – remediation of landfills are not considered an asset. Rural roads drainage \$151K – earth works for drainage are not capitalised under Councils capitalisation policy. <p>There are a number of other projects which had components not capitalised as they fell outside Council's capitalisation policy. Excluding the \$1.6 million in project works not capitalised, the materials and services budget would have been \$1.1 favourable which is consistent with quarterly reporting during the year. This favourable result is due to a demand reduction program across all Council departments.</p>
12	Landfill rehabilitation expense	The landfill rehabilitation expense is mainly attributed to an unbudgeted increase in remediation costs for the Myrtleford Landfill. The Myrtleford landfill (not the transfer station) is going to be closed and waste will be diverted to alternate, more efficient landfills. This decision was made by Council due to the low volume and high costs associated with maintaining the

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison (continued)

Ref	Item	Explanation
		landfill. Work conducted has provided more accurate costings associated with the remediation.
13	Net loss on disposal of property, infrastructure, plant and equipment	This variance is mainly attributed to the write off of road reseals being higher than usual. Council completed a higher road reseal program this year (thus resulting in higher write off of old reseals) to ensure it met the requirements for the Roads to Recovery program. Council received more Roads to Recovery funding than budgeted.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison (continued)

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Ref
b) Capital Works				
Property				
Land	-	-	-	
Total land	-	-	-	
Buildings	1,685	1,414	271	1
Total buildings	1,685	1,414	271	
Total property	1,685	1,414	271	
Plant and equipment				
Plant, machinery and equipment	1,103	135	968	2
Fixtures, fittings and furniture	-	-	-	
Computers and telecommunications	51	50	1	
Total plant and equipment	1,154	185	969	
Infrastructure				
Roads	1,848	2,022	(174)	3
Bridges	914	828	86	
Footpaths and cycleways	307	374	(67)	
Drainage	94	84	10	
Recreational, leisure and community facilities	1,180	499	681	4
Parks, open space and streetscapes	1,538	391	1,147	5
Total infrastructure	5,881	4,198	1,683	
Total capital works expenditure	8,720	5,797	2,923	
Represented by:				
New asset expenditure	1,701	720	981	
Asset renewal expenditure	4,009	3,364	645	
Asset expansion expenditure	-	-	-	
Asset upgrade expenditure	3,010	1,713	1,297	
Total capital works expenditure	8,720	5,797	2,923	

Notes to the Financial Statements

For the year ended 30 June 2016

Note 2: Budget comparison (continued)		
Ref	Item	Explanation
1	Buildings	Building capital works are lower than expected mainly due to the building works at the Porepukah Transfer Station being put on hold whilst a details review of the waste business function was undertaken.
2	Plant, machinery and equipment	Purchases of plant and machinery did not progress as planned. This included a paveliner which has been ordered and not yet arrived. The tendering process for the purchase of a grader started later than expected. Both these items have been re-budgeted in 2016/17.
3	Roads	Roads expenditure has exceeded budget which has been planned and highlighted throughout the year. This is due to council receiving additional Roads to Recovery funding. The increased spend on roads is budgeted to continue in the 2016/17.
4	Recreational, leisure and community facilities	<p>The variance in spend relates to the majority of works not being capitalised under Council's Capitalisation Policy. There has been \$1.6 million identified as operating expenditure which has been expensed to materials and services rather than capitalised. Also some projects came in favourable to budget, or have not yet been completed. Examples of such projects include:</p> <ul style="list-style-type: none"> • Myrtleford sports stadium feasibility, \$38K of works not capitalised. • Mount Beauty pool repairs, \$38K of works not capitalised. • Alpine Events Centre master plans and funding applications, \$77K of works not capitalised. • Rotary park sewer connection, \$38K of works not capitalised. • Dinner Plain projects, \$66K of works not capitalised. • McNamara Reserve netball court upgrade, \$51K of works not yet complete. <p>Other smaller projects and minor variances have contributed to the less than budgeted result.</p>
5	Parks, Open space and streetscape	<p>The variance in spend relates to the majority of works not being capitalised under Council's Capitalisation Policy. There has been \$1.6 million identified as operating expenditure which has been expensed to materials and services rather than capitalised. Examples of such projects include:</p> <ul style="list-style-type: none"> • Mount Beauty Progressing Place – Lakeside \$170K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy. • Mount Beauty Progressing Place – CBD \$224K due to much of the works being outdoor furniture and landscaping works which are not capitalised under Council's Capitalisation policy. • Sun smart shade sail project (\$38K). • Porepukah weir repairs (\$61K). <p>There are a number of other projects which had components not capitalised as they fell outside Council's capitalisation policy which were smaller values.</p>

Notes to the Financial Statements

For the year ended 30 June 2016

Note 3: Rates and charges

	2016 \$'000	2015 \$'000
General rates	12,784	12,277
Garbage charges	3,055	2,845
Dinner Plain special rate	565	562
Supplementary rates and rate adjustments	87	80
Revenue in lieu of rates	110	112
Total rates and charges	16,601	15,876

Council uses capital improved value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its total market value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2015/2016 was \$2,611 million (\$2,584 million 2014/2015). The 2015/2016 rate in the dollar was 0.004968 for residential, 0.003519 for farm and 0.007097 for commercial/industrial (2014/15 0.004828

for residential, 0.003420 for farm and 0.006897 for commercial/industrial).

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation will be first applied in the rating year commencing 1 July 2016.

Note 4: Statutory fees and fines

	2016 \$'000	2015 \$'000
Town planning fees	104	109
Health services	130	148
Permits	114	100
Infringements and costs	28	28
Land information certificates	18	13
Total statutory fees and fines	394	398

Note 5: User fees

	2016 \$'000	2015 \$'000
Aged and health services	417	431
Building services	196	206
Waste management services	281	243
Engineering works	60	36
Leisure centre and recreation	243	270
Community centres	17	18
Legal costs recovered	42	23
Caravan park	358	321
Visitor information centres	162	133
Events	-	21
Other fees and charges	13	4
Total user fees	1,789	1,706

For the year ended 30 June 2016

Note 6: Grants

	2016 \$'000	2015 \$'000
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	3,245	5,879
State funded grants	2,514	5,380
Total	5,759	11,259
Operating recurrent grants		
<i>Commonwealth Government</i>		
Victorian grants commission	1,679	5,243
<i>State Government</i>		
Fuel rebate	64	-
School crossing supervisors	18	18
Maternal and child health	164	160
Rates administration	96	85
Home help/linkages	655	628
Youth services	52	41
Emergency Services	26	26
Senior citizen centres	26	44
Immunisation funding	7	7
Vegetation management	15	-
Weed management	20	-
Total recurrent operating grants	2,822	6,252
Operating non-recurrent grants		
<i>Commonwealth Government</i>		
Environmental projects	53	95
<i>State Government</i>		
Bushfire preparation works	19	-
Municipal emergency resourcing program	30	120
Economic development and tourism	20	79
Bushfire incident and recovery	-	42
Flood/storm incident and recovery	206	596
Community development	150	46
Flood mitigation design	108	-
Tobacco activity	3	5
Total non-recurrent operating grants	589	983
Total operating grants	3,411	7,235

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$'000	2015 \$'000
Capital grants		
Capital recurrent grants		
<i>Commonwealth Government</i>		
Roads to recovery	1,513	541
Total recurrent capital grants	1,513	541
Capital non-recurrent grants		
<i>State Government</i>		
Capital projects		
Roads	18	514
Recreational, leisure	162	689
Parks, open spaces and streetscapes	253	187
Buildings	402	93
Footpaths and cycleways	-	600
Roads and bridges funding	-	1,000
Local government infrastructure fund	-	400
Total non-recurrent capital grants	835	3,483
Total capital grants	2,348	4,024
Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	1,442	2,298
Received during the financial year and remained unspent at balance date	90	320
Received in prior years and spent during the financial year	(1,442)	(1,176)
Balance at year end	90	1,442

Note 7: Contributions

	2016 \$'000	2015 \$'000
Monetary	175	332
Non-monetary	201	402
Total contributions	376	734
Contributions of non-monetary assets were received in relation to the following asset classes:		
Roads	145	402
Other infrastructure	56	-
Total non-monetary contributions	201	402

Notes to the Financial Statements

For the year ended 30 June 2016

Note 8: Other income

	2016 \$'000	2015 \$'000
Scrap sales	40	32
Insurance claim reimbursement	181	47
Interest on rates	79	91
Interest on investments	310	361
Rent	437	437
Doubtful debts recovered	-	16
Sale of Inventory	-	35
Assets previously not recognised	52	-
Total other income	1,099	1,019

Note 9: Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2016 \$'000	2015 \$'000
Proceeds of sale	28	50
Written down value of assets disposed	(296)	(337)
Total net loss on disposal of property, infrastructure, plant and equipment	(268)	(287)

Note 10: Employee costs

	2016 \$'000	2015 \$'000
a) Employee costs		
Wages and salaries - permanent	6,754	7,114
Workcover	144	183
Wages and salaries - casual	675	676
Annual leave and long service leave	844	741
Provision for redundancies	562	96
Superannuation	783	819
Fringe benefits tax	35	64
Total employee costs	9,797	9,693
b) Superannuation		
Council has made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	33	70
Employer contributions - other funds	-	-
Total superannuation contribution	33	70
Accumulated funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	459	496
Employer contributions - other funds	291	253
Total accumulated funds	750	749
Employer contributions payable at reporting date	-	-

Notes to the Financial Statements

For the year ended 30 June 2016

Council account for its obligations under the defined benefit fund as if it was a defined contribution plan. The reason for this is that the fund manager, Vision Super, is unable to provide accurate information to

each employer in a timely manner. Additional information about Council's exposure in relation to the defined benefit fund is detailed at note 33.

Note 11: Materials and services

	2016 \$'000	2015 \$'000
Contract payments	3,363	3,268
Building maintenance	256	204
General operations and maintenance	4,019	2,399
Office administration	236	892
Utilities	824	729
Information technology	224	254
Insurance	368	374
Consultants	757	970
Total materials and services	10,047	9,090

Note 12: Bad and doubtful debts

	2016 \$'000	2015 \$'000
Rate debtors	-	2
Other debtors	11	4
Total bad and doubtful debts	11	6

Note 13: Depreciation

	2016 \$'000	2015 \$'000
Property	962	1,066
Plant and equipment	661	860
Infrastructure	2,557	2,207
Total Depreciation	4,180	4,133

Refer to note 22 for a more detailed breakdown of depreciation charges

Note 14: Other expenses

	2016 \$'000	2015 \$'000
Auditors remuneration - VAGO - audit of financial statements, performance statement and grant acquittals	29	29
Auditors remuneration - Internal	16	20
Councillors allowances	191	206
Council grants and contributions	470	347
Refund of rates	5	5
Total other expenses	711	607

Note 15: Borrowing costs

	2016 \$'000	2015 \$'000
Interest - Borrowings	22	58
Total borrowing costs	22	58

For the year ended 30 June 2016

Note 16: Investments in associates

	2016 \$'000	2015 \$'000
Investment in associates accounted for by the equity method are:		
High Country Library Corporation		
A 23% Interest is held in the High Country Library Corporation.		
Fair value of Council's investment in High Country Library Corporation	341	505
MomentumOne Shared Services Pty Ltd		
A 50% Interest is held in the MomentumOne Shared Services Pty Ltd.		
Fair value of Council's investment in MomentumOne Shared Services Pty Ltd.	21	-
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus/(deficit) at start of year	322	294
Reported surplus/(deficit) for year	(178)	28
Transfers (to)/from reserves	-	-
Distributions for the year	-	-
Council's share of accumulated surplus/(deficit) at end of year	144	322
Council's share of reserves		
Council's share of reserves at start of year	57	57
Transfers (to)/from reserves	(57)	-
Council's share of reserves at end of year	-	57
Movement in carrying value of specific investment		
Carrying value of investment at start of year	505	482
Investment in MomentumOne Shared Services Pty Ltd	35	-
Share of surplus/(deficit) for year	(178)	28
Share of asset revaluation	-	(5)
Distributions received	-	-
Carrying value of investment at end of year	362	505
Council's share of expenditure commitments		
Operating commitments	-	17
Capital commitments	-	-
Council's share of expenditure commitments	-	17

Notes to the Financial Statements

For the year ended 30 June 2016

Note 17: Cash and cash equivalents

	2016 \$'000	2015 \$'000
Cash on hand	3	3
Cash at bank	2,588	3,855
Total cash and cash equivalents	2,591	3,858
Council's cash and cash equivalents are subject to restrictions that limit amounts available for discretionary use. These include:		
Trust funds and deposits (note 24)	737	648
Subdivision recreation reserve (note 28b)	258	256
	995	904
Other financial assets (note 18)	9,507	10,006
Total unrestricted cash, cash equivalents and other financial assets	11,103	12,960
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Cash held to fund carried forward capital works	1,709	2,032
Dinner Plain reserve	1,077	1,059
Landfill rehabilitation reserve	977	277
Other reserves	27	701
Total funds subject to intended allocations	3,790	4,069

Note 18: Other financial assets

	2016 \$'000	2015 \$'000
Term deposits	9,507	10,006
Total other financial assets	9,507	10,006

Note 19: Trade and other receivables

	2016 \$'000	2015 \$'000
Current		
Rates debtors	718	649
Other debtors	832	469
Provision for doubtful debts - other debtors	(20)	(13)
Net GST receivable	260	199
Total current trade and other receivables	1,790	1,304
Non-current		
Other debtors	5	7
Total non-current trade and other receivables	5	7
Total trade and other debtors	1,795	1,311

Notes to the Financial Statements

For the year ended 30 June 2016

Note 19: Trade and other receivables (continued)

a) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is not recent history default. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:

	2016 \$'000	2015 \$'000
Current (not yet due)	738	345
Past due by up to 30 days	61	86
Past due between 31 and 180 days	7	26
Past due between 181 and 365 days	10	-
Past due more than 1 year	16	12
Total trade and other receivables	832	469

b) Movement in provisions for doubtful debts

Balance at the beginning of the year	13	24
New provisions recognised during the year	11	5
Amounts already provided for and written off as uncollectible	(4)	-
Amounts provided for but recovered during the year	-	(16)
Balance at end of year	20	13

Note 20: Inventories

Current

	2016 \$'000	2015 \$'000
Stores and materials	-	5
Merchandise	45	44
	45	49

Non-current

Stores and materials	143	150
	143	150
Total inventories	188	199

Note 21: Other assets

	2016 \$'000	2015 \$'000
Prepayments	175	178
Accrued income	70	77
Total other assets	245	255

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	At Fair Value 30 June 2016 \$'000	Accumulated Depreciation \$'000	WDV 30 June 2016 \$'000	At Fair Value 30 June 2015 \$'000	Accumulated Depreciation \$'000	WDV 30 June 2015 \$'000
Land	20,816	-	20,816	19,526	-	19,526
Buildings	59,141	(28,147)	30,994	51,392	(19,198)	32,194
Plant and Equipment	9,380	(7,174)	2,206	9,298	(6,603)	2,695
Infrastructure	188,160	(44,475)	143,685	184,651	(42,412)	142,239
Work in progress	570	-	570	450	-	450
Total	278,067	(79,796)	198,271	265,317	(68,213)	197,104

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	151	82	(75)	-	158
Plant and Equipment	-	-	-	-	-
Infrastructure	299	319	(161)	(45)	412
Total	450	401	(236)	(45)	570

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment (continued)

	Land - specialised	Total land	Buildings - specialised	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2015	19,526	19,526	51,392	51,392	151	71,069
Accumulated depreciation at 30 June 2015	-	-	(19,198)	(19,198)	-	(19,198)
	19,526	19,526	32,194	32,194	151	51,871
Movements in fair value						
Acquisition of assets at fair value	-	-	1,332	1,332	82	1,414
Revaluation increments/(decrements)	1,238	1,238	6,342	6,342	-	7,580
Fair value of assets disposed	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	-	-	75	75	(75)	-
Assets previously not recognised	52	52	-	-	-	52
	1,290	1,290	7,749	7,749	7	9,046
Movements in accumulated depreciation						
Depreciation and amortisation	-	-	(962)	(962)	-	(962)
Revaluation increments/(decrements)	-	-	(7,987)	(7,987)	-	(7,987)
Accumulated depreciation of disposals	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
	-	-	(8,949)	(8,949)	-	(8,949)
At fair value 30 June 2016	20,816	20,816	59,141	59,141	158	80,115
Accumulated depreciation at 30 June 2016	-	-	(28,147)	(28,147)	-	(28,147)
	20,816	20,816	30,994	30,994	158	51,968

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment (continued)

	Plant, machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Computers and telecomms \$'000	Work in progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2015	6,176	657	2,465	-	9,298
Accumulated depreciation at 30 June 2015	(4,104)	(510)	(1,989)	-	(6,603)
	2,072	147	476	-	2,695
Movements in fair value					
Acquisition of assets at fair value	135	-	50	-	185
Fair value of assets disposed	(103)	-	-	-	(103)
Transfers	-	-	-	-	-
	32	-	50	-	82
Movements in accumulated depreciation					
Depreciation and amortisation	(436)	(28)	(197)	-	(661)
Accumulated depreciation of disposals	90	-	-	-	90
	(346)	(28)	(197)	-	(571)
At fair value 30 June 2016	6,208	657	2,515	-	9,380
Accumulated depreciation at 30 June 2016	(4,450)	(538)	(2,186)	-	(7,174)
	1,758	119	329	-	2,206

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment (continued)

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste	Recreational, leisure and community	Parks, open spaces and streetscapes	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2015	126,043	27,146	4,999	15,915	970	4,629	4,949	299	184,950
Accumulated depreciation at 30 June 2015	(26,458)	(5,972)	(1,305)	(5,756)	(389)	(1,221)	(1,311)	-	(42,412)
	99,585	21,174	3,694	10,159	581	3,408	3,638	299	142,538
Movements in fair value									
Acquisition of assets at fair value	2,167	643	374	132	-	499	265	319	4,399
Revaluation increments/(decrements)	-	-	-	-	-	-	-	-	-
Fair value of assets disposed	(677)	(55)	-	-	-	-	-	(45)	(777)
Transfers	2	65	52	-	-	42	-	(161)	-
	1,492	653	426	132	-	541	265	113	3,622
Movements in accumulated depreciation									
Depreciation and amortisation	(1,670)	(298)	(82)	(162)	(18)	(162)	(165)	-	(2,557)
Revaluation increments/(decrements)	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals	466	28	-	-	-	-	-	-	494
	(1,204)	(270)	(82)	(162)	(18)	(162)	(165)	-	(2,063)
At fair value 30 June 2016	127,535	27,799	5,425	16,047	970	5,170	5,214	412	188,572
Accumulated depreciation at 30 June 2016	(27,662)	(6,242)	(1,387)	(5,918)	(407)	(1,383)	(1,476)	-	(44,475)
	99,873	21,557	4,038	10,129	563	3,787	3,738	412	144,097

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment (continued)

Valuation of land and Buildings

Valuation of land was undertaken by a qualified independent valuer LG Valuation Services Pty Ltd (API Registration no. 62901). The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or un-serviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input

in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land will have a significant impact on the fair value of these assets.

Valuation of buildings were performed by Gary Noall Engineering Coordinator for Council. The effective date of the valuation for building assets is 30 June 2016.

The valuation of buildings is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's land and buildings information about the fair value hierarchy as at 30 June 2016 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land - specialised	-	-	20,816
Buildings - specialised	-	-	30,994
Total	-	-	51,810

Valuation of infrastructure assets were performed by Gary Noall Engineering Coordinator for Council. The effective date of the valuation for road infrastructure assets is 30 June 2014, 30 June 2013 for drainage and 30 June 2015 for bridge infrastructure assets.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2016 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	99,873
Bridges	-	-	21,557
Footpaths and cycleways	-	-	4,038
Drainage	-	-	10,129
Waste management	-	-	563
Recreational, leisure and community	-	-	3,787
Parks, open space and streetscapes	-	-	3,738
Total	-	-	143,685

Description of significant unobservable inputs into level 3 valuations

Specialised land is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 40% and 60%. The market value of land varies significantly

depending on the location of the land and the current market conditions. Currently land values range between \$1.25 and \$425 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$200 to \$3,000 per square metre. The

Notes to the Financial Statements

For the year ended 30 June 2016

Note 22: Property, infrastructure, plant and equipment (continued)

remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 69 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement

cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Note 23: Trade and other payables

	2016 \$'000	2015 \$'000
Trade payables	1,123	1,404
Accrued expenses	470	399
Other creditors	9	5
Total trade and other payables	1,602	1,808

Note 24: Trust funds and deposits

	2016 \$'000	2015 \$'000
Refundable deposits	(1)	8
Fire services levy	491	320
Retention amounts	134	195
Subdivision works	98	110
Other deposits	15	15
Total trust funds and deposits	737	648

Purpose and nature of items

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 25: Provisions

	Landfill restoration \$'000	Employee provisions \$'000	Total \$'000
2016			
Balance at beginning of the financial year	3,718	2,612	6,330
Additional provisions	860	1,492	2,352
Amounts used	(166)	(922)	(1,088)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	142	12	154
Balance at the end of the financial year	4,554	3,194	7,748
2015			
Balance at beginning of the financial year	3,799	3,738	7,537
Additional provisions	(253)	1,075	822
Amounts used	-	(2,061)	(2,061)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	172	(140)	32
Balance at the end of the financial year	3,718	2,612	6,330
		2016 \$'000	2015 \$'000
a) Employee provisions			
Current provisions expected to be wholly settled within 12 months			
Annual leave		645	700
Long service leave		147	149
Redundancies		562	86
Other leave		66	158
		1,420	1,093
Current provisions expected to be wholly settled after 12 months			
Annual leave		333	177
Long service leave		1,129	1,014
Other		-	-
		1,462	1,191
Total current provisions		2,882	2,284
Non-current			
Long service leave		312	328
		312	328
Total aggregate carrying amount of employee provisions		3,194	2,612

Notes to the Financial Statements

For the year ended 30 June 2016

Note 25: Provisions

	2016	2015
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	2.60%	3.50%
Weighted average discount rates	1.99%	2.98%
Weighted average settlement period	10 years	10 years
b) Landfill restoration		
Current	877	415
Non-current	3,677	3,303
Total landfill restoration	4,554	3,718
The following assumptions were adopted in measuring the present value of landfill restoration:		
Weighted average increase in restoration costs	2.12%	2.60%
Weighted average discount rates	1.99%	2.98%
Weighted average settlement period	21 years	22 years

Note 26: Lease income received in advance

	2016 \$'000	2015 \$'000
This represents income received on 1 July 2011 for the Bright Caravan Park lease to be recognised over the life of the lease (21 years) and lease income from annual tenants at the Myrtleford Holiday Park.		
Current	30	30
Non-current	447	477
Total lease income received in advance	477	507

Note 27: Interest-bearing loans and borrowings

	2016 \$'000	2015 \$'000
Current		
Borrowings - secured	-	170
	-	170
Non-current		
Borrowings - secured	-	775
	-	775
a) The maturity profile for Council's borrowings is:		
Not later than one year	-	170
Later than one year and not later than five years	-	700
Later than five years	-	75
	-	945
b) Council has no finance leases.		
c) Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	-	170
Non-current	-	775
Total interest-bearing loans and borrowings	-	945

Notes to the Financial Statements

For the year ended 30 June 2016

Note 28: Reserves

	Balance at beginning of reporting period	Increment / (decrement)	Share of increment / (decrement) on revaluation of HCL	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
a) Asset revaluation reserve				
2016				
Property				
Land	15,880	1,238	-	17,118
Buildings	20,647	(1,645)	-	19,002
	36,527	(407)	-	36,120
Infrastructure				
Roads	54,368	-	-	54,368
Bridges	17,137	-	-	17,137
Footpaths and cycleways	1,153	-	-	1,153
Drainage	7,296	-	-	7,296
Recreational, leisure and community	-	-	-	-
Parks, open spaces and streetscapes	-	-	-	-
	79,954	-	-	79,954
Total asset revaluation reserve	116,481	(407)	-	116,074
2015				
Property				
Land	15,880	-	-	15,880
Buildings	20,652	-	(5)	20,647
	36,532	-	(5)	36,527
Infrastructure				
Roads	54,368	-	-	54,368
Bridges	10,049	7,088	-	17,137
Footpaths and cycleways	1,153	-	-	1,153
Drainage	7,296	-	-	7,296
Recreational, leisure and community	-	-	-	-
Parks, open spaces and streetscapes	-	-	-	-
	72,866	7,088	-	79,954
Total asset revaluation reserve	109,398	7,088	(5)	116,481

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 28: Reserves (continued)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
b) Other reserves				
2016				
Plant replacement	674	-	(674)	-
Dinner Plain	1,059	-	18	1,077
Gravel pit restoration	27	-	-	27
Waste Reserve	277	700	-	977
Subdivision recreation reserve	256	46	(44)	258
Total other reserves	2,293	746	(700)	2,339
2015				
Plant replacement	269	405	-	674
Dinner Plain	1,021	38	-	1,059
Gravel pit restoration	27	-	-	27
Waste Reserve	582	-	(305)	277
Subdivision recreation reserve	390	26	(160)	256
Total other reserves	2,289	469	(465)	2,293

Plant replacement reserve is maintained to fund replacement of plant and machinery over a 10 year cycle.

Dinner Plain reserve is maintained to ensure all rates raised from Dinner Plain properties are quarantined and invested back into Dinner Plain.

Gravel pit restoration reserve is maintained to fund restoration of the Harrierville quarry.

Waste reserve is maintained to fund landfill rehabilitation works. Where budgeted rehabilitation

projects are not carried out in the financial year, funds are allocated to the reserve to fund future rehabilitation work.

Subdivision recreation reserve is maintained to account for contributions received under the *Subdivision Act 1988*. This reserve funds future recreational projects which met the definition of the Act.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 29: Reconciliation of cash flows from operating activities to surplus/(deficit)

	2016	2015
	\$'000	\$'000
(Deficit)/surplus for the year	(198)	7,227
Depreciation	4,180	4,133
Net loss on disposal of property, infrastructure, plant and equipment	268	287
Contributions - non monetary assets	(201)	(402)
Finance costs	22	58
Assets previously not recognised	(52)	-
Share of net profits/(losses) of associates	178	(28)
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(484)	(167)
(Increase)/decrease in prepayments	3	31
(Increase)/decrease in accrued income	7	(8)
(Increase)/decrease in inventories	11	170
(Increase)/decrease in investment in associates	-	5
Increase/(decrease) in trade and other payables	(148)	52
Increase/(decrease) in trust funds and other deposits	89	139
Increase/(decrease) in employee provisions	582	(1,125)
Increase/(decrease) in income in advance	(30)	(43)
Increase/(decrease) in landfill restoration provision	836	(81)
Net cash provided by operating activities	5,063	10,248

Note 30: Financing arrangements

	2016	2015
	\$'000	\$'000
Bank overdraft	250	250
Credit cards	50	50
Bank guarantees	15	15
Total used facilities	315	315

Notes to the Financial Statements

For the year ended 30 June 2016

Note 31: Commitments for expenditure

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2016					
Operating					
Waste management	1,770	594	-	-	2,364
Dinner Plain Bus	36	-	-	-	36
Cleaning	32	-	-	-	32
Other	198	118	-	-	316
Total	2,036	712	-	-	2,748
Capital					
Computers and telecomms	99	-	-	-	99
Buildings	61	-	-	-	61
Roads	174	-	-	-	174
Bridges	182	-	-	-	182
Recreational, leisure and community	4	-	-	-	4
Parks, open space and streetscapes	12	-	-	-	12
Total	532	-	-	-	532
2015					
Operating					
Waste management	1,506	683	401	-	2,590
Dinner Plain Bus	120	36	-	-	156
Cleaning	151	26	-	-	177
Home Care	30	-	-	-	30
Roads	-	-	-	-	-
Other	279	-	-	-	279
Total	2,086	745	401	-	3,232
Capital					
Buildings	72	-	-	-	72
Roads	284	-	-	-	284
Bridges	18	-	-	-	18
Waste management	17	-	-	-	17
Recreational, leisure and community	-	-	-	-	-
Parks, open space and streetscapes	354	-	-	-	354
Total	745	-	-	-	745

For the year ended 30 June 2016

Note 32: Operating leases

	2016 \$'000	2015 \$'000
a) Operating lease commitments		
At the reporting date, Council had no obligations under non-cancellable operating leases.		
b) Operating lease receivables		
The Council has entered into commercial property leases on some properties, consisting of a caravan park and a community centre. These properties held under operating leases have remained non-cancellable lease terms between 1 and 18 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	386	344
Later than one year and not later than five years	1,352	1,319
Later than five years	3,123	3,407
Total operating lease receivables	4,861	5,070

Note 33: Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

148 Council staff are members of Visions Super, a multi employer defined benefit fund with a total of around 100,000 members. Funding of the fund is primarily through employer contributions (9.5%) and returns on investment, however Council may be required to provide additional funds should they be required. Any additional funds provided are contributed in proportion to membership of the total fund. The fund is required to target full funding of its vested benefits. The fund utilises a vested benefits index (VBI) to monitor performance. The fund has set its shortfall limit at a VBI of 97%, if the VBI falls to this level Council is likely to be required to make an additional contribution to the fund. The funds estimated VBI at 30 June 2015 was 105.8%

Other than the above, Alpine Shire Council has no contingent liabilities or assets.

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of

which is funded differently. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% required under Superannuation Guarantee legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Alpine Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Notes to the Financial Statements

For the year ended 30 June 2016

Funding arrangements

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 103.4%. To determine the VBI, the fund Actuary used the following long-term assumptions:

- Net investment returns 7.5% pa
- Salary information 4.25% pa
- Price inflation (CPI) 2.75% pa.

Vision Super has advised that the estimated VBI at 30 June 2016 was 102.0%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). This rate will increase in line with any increase to the contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the defined benefit category is in an unsatisfactory financial position at actuarial investigation or the defined benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring.

The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2015 Interim actuarial investigation surplus amounts

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$130.8 million; and
- A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Council was notified of the 30 June 2015 VBI during August 2015.

Future superannuation contributions

The expected employer contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is \$33,512

Notes to the Financial Statements

For the year ended 30 June 2016

Note 34: Contingent liabilities and contingent assets

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in note 33. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Landfill

At the end of 2012 the EPA issued guidelines for closed landfills, which will apply to the closed Porepunkah Landfill. In July 2013, the EPA issued a pollution

abatement notice requiring Council to prepare and submit a rehabilitation plan and aftercare plan for the premises, which must contain time bound milestones for implementation.

Drainage Assets

As a result of the mapping of councils drainage assets 21 kilometres of extra drainage assets were discovered, however as the condition and size of the assets has not been established as yet an accurate valuation of these assets cannot be made and are not included in the asset values on note 22.

Note 35: Financial instruments

Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

a) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

b) Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of

changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment, and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's

Notes to the Financial Statements

For the year ended 30 June 2016

Note 35: Financial instruments (continued)

financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 33.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;

- have readily accessible standby facilities and other funding arrangements in place;

- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;

- monitor budget to actual performance on a regular basis; and

- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related

to financial guarantees disclosed in note 37, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at note 27.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

e) Fair value

Unless otherwise stated, the carrying amount of financial instruments reflects their fair value.

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible over the next 12 months:

- A parallel shift of 1% and -1% in market interest rates (AUD) from year end rates of 2.5%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 36: Related party transactions

a) Responsible persons

Names of persons holding the positions of a Responsible Person at Council at any time during the year are:

Councillors

Ron Janas - Mayor (November 2015 to current)

Jan Vonarx - Mayor (July 2015 to November 2015)

Peter Roper

Daryl Pearce

Tony Keeble

Kate Farrell

John Forsyth

Chief Executive Officer

Dave Barry

b) Remuneration of responsible persons

The numbers of responsible persons whose total remuneration from Council and any related entities, excluding retirement benefits, fall within the following bands:

\$20,000 - \$29,999

\$30,000 - \$39,999

\$40,000 - \$49,999

\$60,000 - \$69,999

\$210,000 - \$219,999

	2016 No.	2015 No.
	5	5
	-	1
	1	1
	1	-
	1	1
	8	8
	2016 \$'000	2015 \$'000
	402	399

Total remuneration for the reporting year for responsible persons included above amounted to:

Notes to the Financial Statements

For the year ended 30 June 2016

Note 36: Related party transactions (continued)

Senior officers remuneration

A senior officer other than a responsible person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive Officer; or
- b) whose total annual remuneration exceeds \$139,000.

The number of senior officers other than responsible persons, are shown below in their relevant income bands:

	2016 No.	2015 No.
\$50,000 - \$59,999	-	1
\$100,000 - \$109,999	-	1
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	3	2
	3	4
	2016 \$'000	2015 \$'000
Total remuneration for the reporting year for senior officers included above amounted to:	491	484

c) Responsible persons retirement benefits

No retirements benefits were paid to responsible persons in either 2015 or 2016.

d) Loans to responsible persons

No loans were in existence to responsible persons in either 2015 or 2016.

e) Transactions with responsible persons

During the period Council entered into the following transactions with responsible persons or related parties of responsible persons -

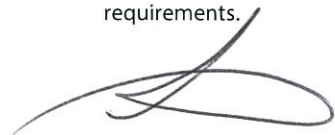
- Term deposits and loan repayments with Bright Community Bank (a branch of Bendigo Bank) which Jan Vonarx is a Director. These transactions were within a normal supplier relationship and at arm's length.
- The CEO's partner was an employee of Council, until 30 March 2016. This was a normal Council employee relationship.

Note 37 Events occurring after balance date

High County Library Corporation was liquidated on the 31 July 2016 with the assets returned to the four Councils that have ownership of the corporation. Alpine Shire Council will receive assets to the value as specified in note 16 Investments in Associates.

Certification of the Financial Report

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards, and other mandatory professional reporting requirements.



Leanne Williams CA
PRINCIPAL ACCOUNTING OFFICER

Date: 27 September 2016

In our opinion, the accompanying financial statements present fairly the financial transactions of Alpine Shire Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



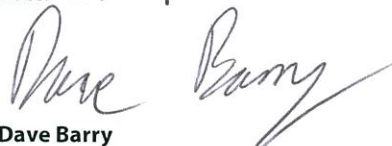
Tony Keeble
COUNCILLOR

Date: 27 September 2016



Peter Roper
COUNCILLOR

Date: 27 September 2016



Dave Barry
CHIEF EXECUTIVE OFFICER

Date: 27 September 2016



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Alpine Shire Council

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Alpine Shire Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report.

The Councillors' Responsibility for the Financial Report

The Councillors of the Alpine Shire Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

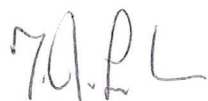
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with the applicable independence requirements of the Australian Auditing Standards and relevant ethical pronouncements.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Alpine Shire Council as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE
28 September 2016


P Andrew Greaves
Auditor-General

Performance Statement

For the year ended 30 June 2016

Performance Statement

For the year ended 30 June 2016

Description of municipality

The Alpine Shire Council is situated in north-east Victoria, approximately 300km from the Victorian state capital Melbourne, and 70km south of Albury-Wodonga. The area of the Alpine Shire is 4,790 square kilometres consisting of 92% public land.

The Shire extends from mountain ranges to the valley floor, where residents choose to live predominantly around the three main towns of Bright, Myrtleford and Mount Beauty. Other members of the populace live in the smaller towns, villages and surrounding farming communities that are spread throughout the Shire.

The region offers a diverse lifestyle with a mix of culture, history and experience. The region is a well-known destination for tourists, with festivals, markets, exhibitions, sporting and recreational activities held throughout the Alpine Shire; together with a range of cafes, restaurants and wineries.

The estimated resident population of the Shire is 11,858, a number which significantly increases with the seasonal influx of tourists. Population demographics show a lower population of 20-39 year olds, but a much higher population of persons aged 55 and over than the Victorian averages.

Sustainable Capacity Indicators

For the year ended 30 June 2016

Indicator / measure	Results 2015	Results 2016	Material Variations
Population			
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,954	\$2,211	This increase is due to \$1.6 million in expenditure which relates to capital works projects, yet is not capitalised under Council's capitalisation policy. This includes landscaping and street furniture for Mount Beauty Progressing Place, Eurobin mudslide, Porepunkah landfill remediation works and earthworks for rural roads drainage.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$14,702	\$14,965	Infrastructure per head of municipal population was incorrectly reported in 2014/15, as Council had included land values in with all other property. This has been corrected in 2015/16. The previously reported result was \$16,325.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	21	21	
Own-source revenue			
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,558	\$1,677	
Recurrent grants			
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$565	\$366	Reduction is due to less Financial Assistance Grants (\$1.7 million) which were received in the prior year.

Sustainable Capacity Indicators (continued)

For the year ended 30 June 2016

Indicator / measure	Results 2015	Results 2016	Material Variations
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	5	5	Relative Socio-Economic Disadvantage was incorrectly reported as "Rank within Australia - Decile" in 2014/15. The "Rank within Victoria - Decile" has been corrected in 2015/16. The result previously reported for 2014/15 was 6.

Definitions

"adjusted underlying revenue" means total income other than—

- (a) non-recurrent capital grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*.

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue excluding revenue which is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2016

Service / indicator / measure	Results 2015	Results 2016	Material Variations
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.4	4.0	Council continues to see an increase in users of aquatic facilities. This can be attributed to: good uptake of reduced price early bird season passes, growing Learn to Swim programs, and extension of access to outdoor pools through opening times.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	1	Council took one animal management incident to court in 2015/16, resulting in charges. There were no prosecutions in the 2014/15 year.
Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	0%	46%	In 2014/15, Council included only those notifications from auditors of Class 1 premises. In 2015/16, Council has expanded reporting to include notifications made by Council authorised officers (for Class 1-3), as well as those received by auditors. Two critical notifications occurred, both of which were followed up in 2015/16.
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	58	60	

Service Performance Indicators (continued)

For the year ended 30 June 2016

Service/indicator /measure	Results 2015	Results 2016	Material Variations
Home and community care Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	30%	27%	Council implemented a demand reduction program for the HACC service in 2015/16 in order to return to target funded hours. This resulted in slightly less persons receiving a HACC service than in 2014/15.
Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	36%	29%	The HACC CALD population within the municipality is ageing, and diminishing over time. The effect of the HACC demand reduction program has also seen an affect on CALD clients.
Libraries Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	24%	23%	Active library members have been updated for both 2014/15 and 2015/16 to reflect the improved ability to report 'active library members' as those that borrow a library item. The result previously reported for 2014/15 was 28.57%.
Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	85%	86%	Council's MCH nurses have focussed on increasing participation in MCH programs during 2015/16.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	88%	88%	

Service Performance Indicators (continued)

For the year ended 30 June 2016

Service/indicator /measure	Results 2015	Results 2016	Material Variations
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	59	60	
Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0%	0%	There were no VCAT Council decisions in relation to planning applications in 2015/16.
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	49%	49%	

Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the *Aboriginal Heritage Act 2006*

"active library member" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English.

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth to control the standards of HACC service provision.

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the *Home and Community Care Act 1985* of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the *Home and Community Care Act 1985* of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Financial Performance Indicators

For the year ended 30 June 2016

Dimension / <i>indicator / measure</i>	Results 2015	Results 2016	2017	Forecasts		2020	Material Variations
Efficiency							
Revenue level							
<i>Average residential rate per residential property</i> [Residential rate revenue / Number of residential property assessments]	\$1,623	\$1,696	\$1,686	\$1,734	\$1,782	\$1,831	
Expenditure level							
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,812	\$3,026	\$2,860	\$2,852	\$2,902	\$2,974	
Workforce turnover							
<i>Resignations and terminations compared to average</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	23%	5.8%	27.9%	13.1%	13.1%	13.1%	The resignations have dropped from 2015 due to Council completing its HR Review in 2015. In 2016/17 there is a forecast increase due to the recommissioning of the Home and Community Care services to another provider by the Department of Health.
Liquidity							
Working capital							
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	289%	231%	158%	152%	163%	143%	Decrease due to Council paying out its borrowings in 2016 (\$1 million) and receiving \$1.7 million of its 2016 Financial Assistance Grants in the prior year.

Financial Performance Indicators (continued)

For the year ended 30 June 2016

Dimension / <i>indicator / measure</i>	Results 2015	Results 2016	2017	Forecasts		2020	Material Variations
Liquidity (continued) Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	177%	152%	99%	92%	100%	87%	Increase due to Council providing for Home and Community Care redundancies which occurred on 1 July 2016 as a result of the department of Health recommissioning the service to another provider.
Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	71%	80%	111%	84%	98%	97%	Council increased its renewal spend on bridges mainly attributed to Harris Lane, Merriang and Freeburgh bridges
Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	6%	0%	0%	0%	0%	0%	Council repaid all its borrowings in full in July 2015 due to have strong cash reserves.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2%	6%	0%	0%	0%	0%	Council repaid all its borrowings in full in July 2015 due to have strong cash reserves.

Financial Performance Indicators (continued)

For the year ended 30 June 2016

Dimension / <i>indicator / measure</i>	Results 2015	Results 2016	2017	Forecasts		2020	Material Variations
				2018	2019		
Obligations (continued)							
Indebtedness							
<i>Non-current liabilities compared to own source revenue</i>	26%	23%	16%	14%	13%	10%	Council repaid all its borrowings in full in July 2015 due to have strong cash reserves.
[Non-current liabilities / Own source revenue] x100							
Operating position							
Adjusted underlying result							
<i>Adjusted underlying surplus (or deficit)</i>	12%	-5%	4%	2%	2%	2%	Reduction is due to less Financial Assistance Grants (\$1.7 million) which were received in the prior year and an increase in materials and services expenditure (\$1.6 million) due to amounts relating to capital works projects not being capitalised. This includes landscaping and street furniture for Mount Beauty Progressing Place, Eurobin mudslide, Porepunkah landfill remediation works and earthworks for rural roads drainage. Without these two factors Council would have derived an adjusted underlying surplus rather than a deficit.
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100							

Financial Performance Indicators (continued)

For the year ended 30 June 2016

Dimension / <i>indicator / measure</i>	Results 2015	Results 2016	2017	Forecasts		2020	Material Variations
				2018	2019		
Stability							
Rates concentration							
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	58%	65%	64%	68%	68%	68%	Rates increased by a greater percentage than adjusted underlying revenue, due to supplementary valuations.
Rates effort							
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.6%	0.6%	0.6%	0.6%	0.6%	0.7%	

Financial Performance Indicators (continued)

For the year ended 30 June 2016

Definitions

"adjusted underlying revenue" means total income other than—

- (a) non-recurrent capital grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Other Information

For the year ended 30 June 2016

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

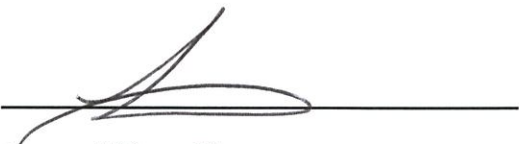
The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* require explanation of any material variations in the results contained in the performance statement. Council has utilised materiality thresholds as described in the "Local Government Better Practice Guide 2015-16 - Performance Statement" relevant to each indicator and measure. Where Council's year on year result varies by more than 10% of the State-wide average (2014/15), Council has reported a material variance. Explanations have not been provided for variations below these materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 28 June 2016 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the performance statement

For the year ended 30 June 2016

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



Leanne Williams CA

Principal Accounting Officer

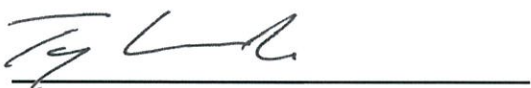
Dated: 27 September 2016

In our opinion, the accompanying performance statement of the Alpine Shire Council for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Tony Keeble

Councillor

Dated: 27 September 2016



Peter Roper

Councillor

Dated: 27 September 2016



Dave Barry

Chief Executive Officer

Dated: 27 September 2016



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Alpine Shire Council

The Performance Statement

I have audited the accompanying performance statement for the year ended 30 June 2016 of the Alpine Shire Council which comprises the statement, the related notes and the certification of the performance statement.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Alpine Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

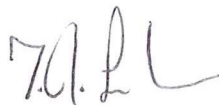
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of the Alpine Shire Council in respect of the 30 June 2016 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
28 September 2016


R Andrew Greaves
Auditor-General

Produced by:

Alpine Shire Council

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Telephone: (03) 5752 2038

Mount Beauty Customer Service Centre

Lakeside Avenue, Mount Beauty

Telephone: (03) 5754 4542



Meeting Title: Briefing Session
Date: 6 September 2016
Location: Committee Room, Bright Office
Start Time: 5.00pm
Chairperson: Cr Ron Janas, Mayor

Councillor and staff attendees:

Name	Position	Name	Position
Cr Ron Janas	Mayor	Dave Barry	CEO
Cr Tony Keeble	Deputy Mayor	Charlie Bird	DA
Cr Kate Farrell	Councillor	Trevor Britten	DCP
Cr John Forsyth	Councillor	Heather Green	DSD
Cr Daryl Pearce	Councillor		
Cr Peter Roper	Councillor		
Cr Jan Vonarx	Councillor		

Councillor and staff apologies:

Name	Position

1. Conflict of interest disclosures

Nil

2. Record of Councillors that have disclosed a conflict of interest leaving the assembly

Nil

3. Matters considered

- Preliminaries
- Ordinary Council meeting agenda review